

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

KETCHIKAN GATEWAY BOROUGH, ALASKA

For the Year Ended June 30, 1990

Prepared by

KETCHIKAN GATEWAY BOROUGH

ACCOUNTING DEPARTMENT

KETCHIKAN GATEWAY BOROUGH
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR YEAR ENDED JUNE 30, 1990

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INTRODUCTORY SECTION



KETCHIKAN GATEWAY BOROUGH

Accounting Department
344 Front Street
Ketchikan, Alaska 99901
(907) 228-6630

June 7, 1991

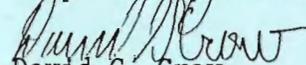
Honorable Mayor and Members of the Assembly
Ketchikan Gateway Borough
Ketchikan, Alaska

The Comprehensive Annual Financial Report of the Ketchikan Gateway Borough, Alaska for the fiscal year ended June 30, 1990, is hereby submitted. The Borough Finance Department has prepared this report. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Borough. We believe the data, as presented, is accurate in all material respects and that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Borough as measured by the financial activity of the various funds. All disclosures have been included to enable the reader to gain a maximum understanding of the Borough's financial activity.

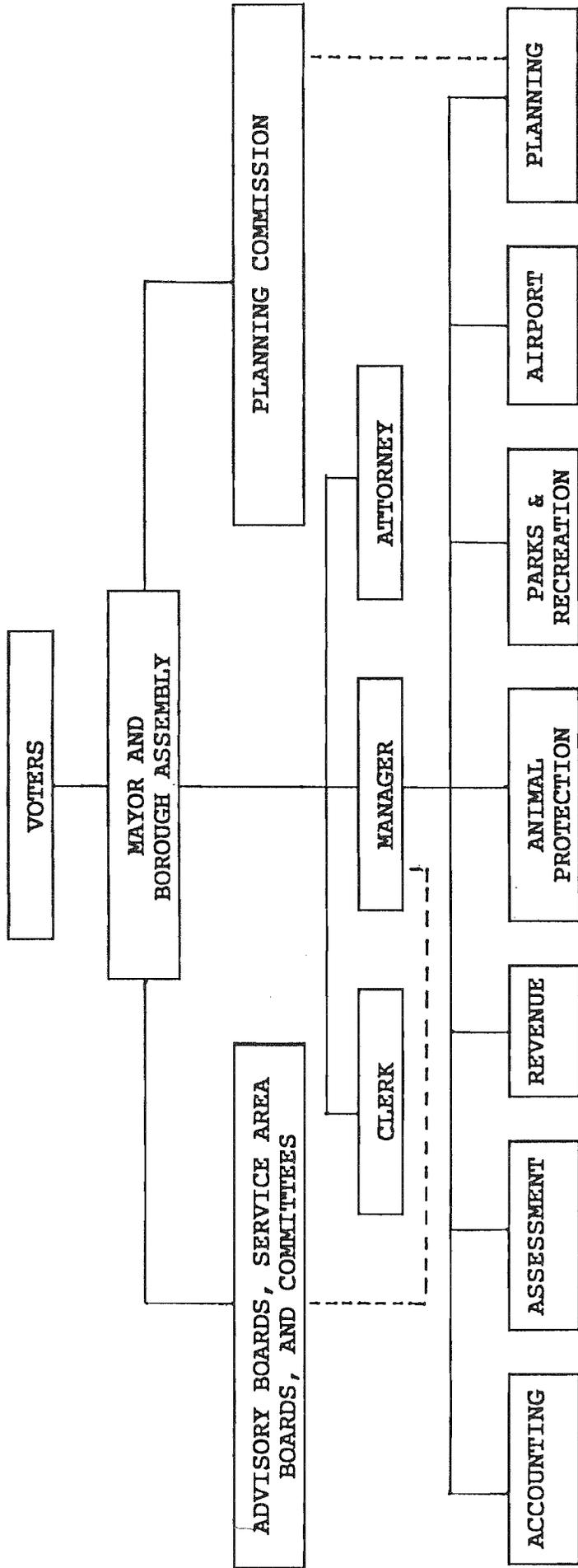
Alaska State Statutes 29.35.120 requires an annual independent audit of the accounts and financial transactions of the Borough by a certified public accountant. The accounting firm of Coopers & Lybrand, CPA's was selected and ratified by the Borough Assembly. In addition to meeting the requirements set forth in the State Statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act of 1984 and related OMB Circular A-128 and the State of Alaska Single Audit Act 2 AAC 45.010. The Auditor's report on the general purpose financial statements is included in the financial section of this report. The combining, individual fund and account group financial statements and schedules are presented for purposes of additional analysis. The auditor's reports related specifically to the single audit are contained in a separate report.

The preparation of the comprehensive annual financial report was not completed in a timely manner. This was the result of several factors including a turnover of personnel in key positions, the implementation of new data processing equipment, and the acquisition of new software. Although the above factors slowed the completion of the 1990 Comprehensive Financial Report presentation our financial data base is now in place and will allow future financial information to be presented in a timely manner. We wish to express our appreciation to all members of the Finance Department who assisted and contributed to the preparation of this report, with special thanks to Vicki Campbell and Janice Williams. We also want to thank you, the Mayor and Members of the Borough Assembly, for your interest and support in planning and conducting the financial operations of the Borough in a responsible and progressive manner.

Respectfully submitted,


David G. Crow
Borough Manager


Alvin E. Hall
Director of Accounting



KETCHIKAN GATEWAY BOROUGH
PRINCIPAL BOROUGH OFFICIALS
JUNE 30, 1990

MAYOR & ASSEMBLY

Name:	Title:
Ralph M. Bartholomew	Mayor
Michael R. Cruise	Assemblymember/Vice Mayor
Michael Holman	Assemblymember
Dennis McCarty	Assemblymember
John Cote	Assemblymember
Bob Boatwright	Assemblymember
Jim Shull	Assemblymember
Cheryle Wolf-Tallman	Assemblymember

BOROUGH STAFF

Name:	Title:
David G. Crow	Borough Manager
Teresa Williams	Municipal Attorney
Georgianna C. Zimmerle	Borough Clerk
Alvin E. Hall	Director of Accounting
Sandra L. Isley	Director of Revenue
Dennis Finnegan	Director of Assessing
Bonnie D. Anderson	Animal Control Officer
Bruce Phelps	Director of Planning
Ken Linder	Airport Manager
Sue Daly	Director Parks & Recreation

FINANCIAL SECTION

Report of Independent Accountants

To the Honorable Mayor
and Members of the Assembly
Ketchikan Gateway Borough
Ketchikan, Alaska

We have audited the accompanying general purpose financial statements of Ketchikan Gateway Borough as of June 30, 1990, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of Ketchikan Gateway Borough's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of Ketchikan Gateway Borough School District, which statements represent 14.6% and 68.4%, respectively, of the assets and revenues of the Special Revenue Fund Type, and 81.2% of the assets of the Trust and Agency Fund Type. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Ketchikan Gateway Borough School District, is based solely on the report of the other auditors.

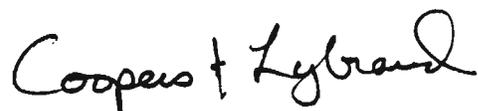
We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinion.

In our opinion, based upon our audit and the report of other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Ketchikan Gateway Borough as of June 30, 1990, and the results of its operations and changes in financial position of its proprietary and similar trust fund types for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The 1990 combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes

of additional analysis and are not a required part of the general purpose financial statements of Ketchikan Gateway Borough. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole. As discussed in the first paragraph, our opinion, insofar as it relates to the amounts included for the Ketchikan Gateway School District, is based solely on the report of the other auditors.

The other data included in this report, designated as the "Statistical Section" in the table of contents, has not been audited by us and, accordingly, we express no opinion on such data.

A handwritten signature in black ink that reads "Coopers & Lybrand". The signature is written in a cursive, flowing style.

Anchorage, Alaska
April 5, 1991

GENERAL PURPOSE FINANCIAL STATEMENTS

The financial statements in this section provide a summary overview of the financial position of all funds and account groups including summary operating results of all funds.

The following statements are included in this section:

Combined Balance Sheet-All Fund Types and Account Groups

Combined Statement of Revenues, Expenditures and Changes in Fund Balance-All Governmental Fund Types and Expendable Trust Funds

Combined Statement of Revenues, Expenditures and Changes in Fund Balances-Budget & Actual-General and Special Revenue Fund Types

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances-All Proprietary Fund Types and Similar Trust Funds

Combined Statement of Changes in Financial Position-All Proprietary Fund Types and Similar Trust Funds

KETCHIKAN GATEWAY BOROUGH
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 1990

	<-----Governmental Fund Types ----->			
	General	Special Revenue	Debt Service	Capital Projects
ASSETS				
Cash and Temporary Investments	\$2,813,348	\$8,041,661		\$11,948,761
Funds with Fiscal Agents				
Property Taxes Receivable	17,910	9,817		
Due From Other Governments	30,267			
Accounts Receivable	46,780	518,605		24,038
Due From Other Funds		846,672	\$92,952	32,216
Accrued Interest Receivable	550,546			
Prepaid Insurance	2,695	284,861		
Deferred Accounts Receivable		743,774		
Inventory		22,321		
Restricted Assets				
Bond Redemption Fund Cash and Investments				
Plant in Service				
Construction in Progress				
Accumulated Depreciation				
Amount to be Provided for Payment of Long Term Debt				
Land				
Buildings				
Equipment				
Leasehold Improvements				
	-----	-----	-----	-----
Total Assets	\$3,461,546	\$10,467,711	\$92,952	\$12,005,015
	=====	=====	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

Proprietary Fund Types Enterprises	Fiduciary Fund Types Trust and Agency Funds	Account Groups		(Total Memorandum Only)	
		General Fixed Assets	General Long Term Debt	Year Ended June 30, 1990	Year Ended June 30, 1989
\$240,184	\$193,348 1,098,033			\$23,237,302 1,098,033 27,727 30,267	\$10,980,609 958,305 153,309 227,886
166,594	3,644			756,017 975,484 550,546 287,556 743,774 22,321	824,350 1,215,542 162,145 60,086 731,814 17,422
59,733 6,827,034 236,570 (2,874,386)				59,733 6,827,034 236,570 (2,874,386)	59,733 6,940,439 13,252 (2,813,847)
		\$148,081 28,894,027 4,675,141 17,867	\$23,375,601	23,375,601 148,081 28,894,027 4,675,141 17,867	13,543,189 148,081 28,894,027 4,209,743
<u>\$4,655,729</u>	<u>\$1,295,025</u>	<u>\$33,735,116</u>	<u>\$23,375,601</u>	<u>\$89,088,695</u>	<u>\$66,326,085</u>

KETCHIKAN GATEWAY BOROUGH
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 1990

	<-----Governmental Fund Types ----->			
	General	Special Revenue	Debt Service	Capital Projects
LIABILITIES AND FUND EQUITY				
Liabilities				
Accounts Payable	\$159,933	\$905,568		\$55,646
Due to Other Governments	656,579			
Due to Other Funds	644,125	323,381		
Accrued Interest Payable				
Accrued Vacation and Sick Leave	125,987	150,552		
Deferred Revenues	11,208	1,349,471		53,907
Deferred Compensation				
Bonds Payable				
Retirement Incentive Program Liabilities				
Capital Lease Payable				
Total Liabilities	1,597,832	2,728,972		109,553
Fund Equity				
Contributed Capital				
Investment in General Fixed Assets				
Retained Earnings				
Reserved for Bond Retirement Unreserved				
Fund Balances				
Reserved for Endowments				
Reserved for Prepaid	2,695	284,861		
Reserved for Inventory		22,321		
Reserved for Encumbrances	5,000	224,892		
Unreserved	1,856,019	7,206,665	\$92,952	11,895,462
Total Fund Equity	1,863,714	7,738,739	92,952	11,895,462
	\$3,461,546	\$10,467,711	\$92,952	\$12,005,015

The Accompanying Notes are an Integral part of the Financial Statements.

Proprietary Fund Types Enterprises	Fiducary Fund Types Trust and Agency Funds	Account General Fixed Assets	Groups General Long Term Debt	(Total Memorandum Only)	
				Year Ended June 30, 1990	Year Ended June 30, 1989
\$159,666	\$173,682			\$1,454,495	\$2,248,321
				656,579	216,895
	7,978			975,484	1,215,542
19,759				19,759	18,764
161,482				438,021	412,584
				1,414,586	1,007,315
	1,098,033			1,098,033	958,305
1,495,000			\$23,189,000	24,684,000	14,889,000
					177,000
			186,601	186,601	157,189
<u>1,835,907</u>	<u>1,279,693</u>	<u>-----</u>	<u>23,375,601</u>	<u>30,927,558</u>	<u>21,300,915</u>
2,087,725				2,087,725	2,205,457
		\$33,735,116		33,735,116	33,251,851
59,733				59,733	59,733
672,364				672,364	418,900
	10,000			10,000	10,000
				287,556	60,086
				22,321	17,422
				229,892	268,060
	5,332			21,056,430	8,733,661
<u>2,819,822</u>	<u>15,332</u>	<u>33,735,116</u>	<u>-----</u>	<u>58,161,137</u>	<u>45,025,170</u>
<u>\$4,655,729</u>	<u>\$1,295,025</u>	<u>\$33,735,116</u>	<u>\$23,375,601</u>	<u>\$89,088,695</u>	<u>\$66,326,085</u>

KETCHIKAN GATEWAY BOROUGH
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 1990

	<-----Governmental Fund Type----->		
	General	Special Revenue	Debt Service
REVENUES			
Taxes	\$6,795,332	\$352,886	
Payments in Lieu of Taxes	15,003		
Licenses and Permits	13,786		
Intergovernmental Revenues	1,238,450	14,748,205	
Charges for Services	253,394	332,218	
Other Revenues	769,575	782,631	
	-----	-----	-----
Total Revenues	9,085,540	16,215,940	
	-----	-----	-----
EXPENDITURES			
Administration	1,849,959		
Animal Control	201,577		
Public Services	401,576	1,644,074	
Non-Departmental	178,640		
Education		16,750,654	
Capital Projects			
General	8,222	230,134	
Education			
Debt Service			\$3,243,835
	-----	-----	-----
Total Expenditures	2,639,974	18,624,862	3,243,835
	-----	-----	-----
Excess (Deficit) of Revenues over Expenditures	6,445,566	(2,408,922)	(3,243,835)
	-----	-----	-----
Other Financing Sources (Uses)			
Operating Transfers In	164,229	6,668,291	3,321,605
Operating Transfers Out	(6,106,092)	(3,629,739)	
Contributions			
Bond Proceeds			
	-----	-----	-----
Total Other Financing	(5,941,863)	3,038,552	3,321,605
	-----	-----	-----
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	503,703	629,630	77,770
	-----	-----	-----
Fund Balances Beginning of Year	1,360,011	7,109,109	15,182
	-----	-----	-----
Fund Balances End of Year	\$1,863,714	\$7,738,739	\$92,952
	=====	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

-----> Capital Projects	Subtotal Governmental Fund Types	Fiduciary Fund Type Expendable Trust	(Total Memorandum Only) Year Ended Year Ended June 30, 1990 June 30, 1989	
	\$7,148,218		\$7,148,218	\$6,843,082
	15,003		15,003	14,039
	13,786		13,786	3,770
\$166,718	16,153,373		16,153,373	16,113,884
	585,612		585,612	776,284
155,955	1,708,161	\$404	1,708,565	1,097,259
-----	-----	-----	-----	-----
322,673	25,624,153	404	25,624,557	24,848,318
-----	-----	-----	-----	-----
	1,849,959		1,849,959	1,431,274
	201,577		201,577	170,730
	2,045,650		2,045,650	1,818,705
	178,640		178,640	143,481
	16,750,654	1,500	16,752,154	16,688,649
80,034	318,390		318,390	273,156
460,616	460,616		460,616	11,102
	3,243,835		3,243,835	3,140,679
-----	-----	-----	-----	-----
540,650	25,049,321	1,500	25,050,821	23,677,776
-----	-----	-----	-----	-----
(217,977)	574,832	(1,096)	573,736	1,170,542
-----	-----	-----	-----	-----
113,440	10,267,565		10,267,565	8,879,507
(588,479)	(10,324,310)		(10,324,310)	(9,017,720)
				311,137
12,000,000	12,000,000		12,000,000	
-----	-----	-----	-----	-----
11,524,961	11,943,255		11,943,255	172,924
-----	-----	-----	-----	-----
11,306,984	12,518,087	(1,096)	12,516,991	1,343,466
588,479	9,072,781	4,994	9,077,775	7,734,309
-----	-----	-----	-----	-----
\$11,895,463	\$21,590,868	\$3,898	\$21,594,766	\$9,077,775
=====	=====	=====	=====	=====

KETCHIKAN GATEWAY BOROUGH
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 GENERAL AND SPECIAL REVENUE FUND TYPES
 FOR THE YEAR ENDED JUNE 30, 1990

	<----- General ----->		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$6,760,199	\$6,795,332	\$35,133
Payments in Lieu of Taxes	14,000	15,003	1,003
Licenses and Permits	5,000	13,786	8,786
Revenue from Other Govts	877,700	1,238,450	360,750
Charges for Services	291,651	253,394	(38,257)
Other Revenues	350,000	769,575	419,575
	-----	-----	-----
Total Revenues	8,298,550	9,085,540	786,990
	-----	-----	-----
EXPENDITURES			
Administration	1,657,177	1,849,959	(192,782)
Animal Control	171,496	201,577	(30,081)
General Services	411,493	401,576	9,917
Non-Departmental Education	163,150	178,640	(15,490)
Capital Projects	136,100	8,222	127,878
	-----	-----	-----
Total Expenditures	2,539,416	2,639,974	(100,558)
	-----	-----	-----
Excess (Deficit) of Revenues over Expenditures	5,759,134	6,445,566	686,432
	-----	-----	-----
Other Financing Sources (Uses)			
Transfers from Other Funds	128,558	164,229	35,671
Transfers to Other Funds	(6,267,929)	(6,106,092)	161,837
	-----	-----	-----
Total Other Financing	(6,139,371)	(5,941,863)	197,508
	-----	-----	-----
Excess (Deficit) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(380,237)	503,703	883,940
	-----	-----	-----
Fund Balances, July 1, 1989	1,360,011	1,360,011	-----
	-----	-----	-----
Fund Balances, June 30, 1990	\$979,774	\$1,863,714	\$883,940
	=====	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

<-----Special Revenue----->			<-----Total Memorandum Only----->		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$348,038	\$352,886	\$4,848	\$7,108,237	\$7,148,218	\$39,981
			14,000	15,003	1,003
			5,000	13,786	8,786
13,866,302	13,688,573	(177,729)	14,744,002	14,927,023	183,021
322,657	332,218	9,561	614,308	585,612	(28,696)
507,419	782,631	275,212	857,419	1,552,206	694,787
-----	-----	-----	-----	-----	-----
15,044,416	15,156,308	111,892	23,342,966	24,241,848	898,882
			1,657,177	1,849,959	(192,782)
			171,496	201,577	(30,081)
765,295	604,276	161,019	1,176,788	1,005,852	170,936
			163,150	178,640	(15,490)
16,944,991	16,750,654	194,337	16,944,991	16,750,654	194,337
238,499	230,134	8,365	374,599	238,356	136,243
-----	-----	-----	-----	-----	-----
17,948,785	17,585,064	363,721	20,488,201	20,225,038	263,163
-----	-----	-----	-----	-----	-----
(2,904,369)	(2,428,756)	475,613	2,854,765	4,016,810	1,162,045
-----	-----	-----	-----	-----	-----
6,205,621	6,661,080	455,459	6,334,179	6,825,309	491,130
(3,562,892)	(3,600,128)	(37,236)	(9,830,821)	(9,706,220)	124,601
-----	-----	-----	-----	-----	-----
2,642,729	3,060,952	418,223	(3,496,642)	(2,880,911)	615,731
-----	-----	-----	-----	-----	-----
(261,640)	632,196	893,836	(641,877)	1,135,899	1,777,776
-----	-----	-----	-----	-----	-----
7,109,109	7,109,109		8,469,120	8,469,120	
-----	-----	-----	-----	-----	-----
\$6,847,469	\$7,741,305	\$893,836	\$7,827,243	\$9,605,019	\$1,777,776
=====	=====	=====	=====	=====	=====

KETCHIKAN GATEWAY BOROUGH
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS/FUND BALANCES
 ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 1990

	Proprietary Fund Types Enterprise Funds	Fiduciary Fund Types Nonexpendable Trusts	Total (Memorandum Only)
OPERATING REVENUES			
Charges for Services	\$1,975,092		\$1,975,092
Other Revenues	55,637	\$480	56,117
Total Revenues	2,030,729	480	2,031,209
OPERATING EXPENSES			
Education		500	500
Bus Operations	74,264		74,264
Field	595,077		595,077
Terminal	451,531		451,531
Ferry	767,621		767,621
Depreciation	240,433		240,433
Total Expenditures	2,128,926	500	2,129,426
Excess (Deficit) of Revenues over Expenditures	(98,197)	(20)	(98,217)
Non Operating Revenues (Expenses)			
UTMA Grant-Ferry	37,688		37,688
State Revenue Sharing	116,943		116,943
Misc Non-Operating	18,384		18,384
Interest Earnings	43,162		43,162
Interest Expense	(106,375)		(106,375)
Gain on Asset Disposal	67,382		67,382
Total Nonoperating Revenues (Expenses)	4,169		4,169
Income (Loss) Before Operating Transfers	(94,028)	(20)	(94,048)
Operating Transfers In	61,945		61,945
Operating Transfers Out	(5,200)		(5,200)
Net Income (Loss)	(37,283)	(20)	(37,303)
Depreciation of Fixed Assets Acquired by Grant	117,732		117,732
Net Increase (Decrease)	80,449	(20)	80,429
Retained Earnings/Fund Balances, July 1, 1989	478,633	11,454	490,087
Retained Earnings/Fund Balances, June 30, 1990	\$559,082	\$11,434	\$570,516

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION
 ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
 FOR THE YEAR ENDED JUNE 30, 1990

	Proprietary Fund Types Enterprise Funds	Fiduciary Fund Types Nonexpendable Trusts	Total (Memorandum Only)
Sources of Working Capital			
Net Income (Loss)	\$135,732	(\$20)	\$135,712
Items not requiring (providing) Working Capital			
Depreciation	240,433		240,433
Gain on Asset Disposal	(67,382)		(67,382)
Other Sources			
Proceeds from Asset Disposal	90,000		90,000
	-----	-----	-----
Total Sources of Working Capital	398,783	(20)	398,763
	-----	-----	-----
Uses of Working Capital			
Acquisition of Property, Plant & Equipment	89,107		89,107
Retirement of General Obligation Bonds	185,000		185,000
Construction in Process	223,318		223,318
	-----	-----	-----
Total Uses of Working Capital	497,425		497,425
	-----	-----	-----
Net Increase (Decrease) in Working Capital	(\$98,642)	(\$20)	(\$98,662)
	=====	=====	=====
Elements of Net Increase (Decrease) in Working Capital			
Cash & Temporary Investments	\$76,563		\$76,563
Funds With Fiscal Agents		(\$20)	(20)
Accounts Receivable	(31,360)		(31,360)
Interfund Receivable	(65,489)		(65,489)
Accounts Payable and Accrued Liabilities	(78,356)		(78,356)
	-----	-----	-----
Net Increase (Decrease) in Working Capital	(\$98,642)	(\$20)	(\$98,662)
	=====	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1990

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Ketchikan Gateway Borough have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Borough's accounting policies are described below.

A. Reporting Entity

The Ketchikan Gateway Borough was incorporated September 13, 1963, under the provisions of the State of Alaska Borough Act of 1961, as a second class borough. The Borough operates under a seven member elected assembly and manager form of government and provides the following areawide services: assessment and collection of taxes for the Borough and cities within the Borough, animal control, parks and recreation, transportation, economic development, planning and zoning, education, senior citizen funding, and general administrative services. The Borough also provides fire protection, sewer, water services and road maintenance on a non-areawide basis represented by service areas. The Borough also provides limited emergency management services.

Included within the Ketchikan Gateway Borough's Comprehensive Annual Financial Report is the Ketchikan Gateway Borough School District in accordance with the National Council of Governmental Accounting (NCGA) Statement 3 on "Defining the Governmental Reporting Entity." Oversight responsibility is derived from the governmental unit's powers and includes, but is not limited to, financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. While the School District and service areas are governed by separately elected or appointed boards, final responsibility rests with the Borough. The Borough Assembly is responsible for approving their budgets and establishing spending limitations, for funding any deficits, for levying taxes and collecting and distributing the funds, and for issuing bonds to finance capital improvements. For these reasons, the accompanying financial statements include all activities of the Ketchikan Gateway Borough, Ketchikan Gateway Borough School District, and service areas. The Borough does not exercise any element of oversight responsibility, as defined by NCGA Statement 3, over any other entity.

Excluded from the reporting entity are the State of Alaska Public Employees' Retirement System and the State of Alaska Teachers' Retirement System employee pension plans. The Borough has no authority over the financing of deficits, no entitlement to surpluses, or responsibility for debt for these pension plans. It also has no influence over management designation and no ability to influence operations. The State of Alaska administers and has oversight responsibility for the Public Employees' Retirement System and the Teachers' Retirement System. However, current pension information as it relates to the reporting entity is presented in Note 15 of the Notes to the Financial Statements.

B. Fund Accounting

The Accounts of the Borough are organized on the basis of funds and account groups. A fund is considered a separate set of self-balancing accounts comprised of assets, liabilities, fund balance/retained earnings, revenues and expenditures/expenses for transactions related to certain government functions or activities. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified in three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate fund types.

Governmental Funds

Governmental fund operations are focused on the measurement of the sources and flow of current financial resources. This measurement is unique in that generally only current expendable financial resources are accounted for in this group.

General Fund. The General Fund is the general operating fund of the Borough. It is used to account for all financial resources except those required to be accounted for in another fund. Principal revenue sources are property and sales taxes levied on an areawide basis and state shared revenues. Primary expenditures are for general administration, planning and zoning, and animal protection.

Special Revenue Funds. These funds are used to account for revenues derived from specific taxes or other earmarked revenue sources, including state and federal grants and property taxes levied on a non-areawide basis that are legally restricted to expenditures for specified purposes.

Debt Service Funds. The Debt Service Funds are used to account for the payment of principal and interest on the Borough's general obligation bonds.

Capital Projects Funds. These funds are used to account for capital improvements (except for those financed by proprietary funds) which are financed by Borough general obligation bond issues, state and federal grants, and operating transfers in from other funds for service area improvements.

Proprietary Funds

This fund category emulates the private sector in that many activities recorded are operated in a manner similar to a commercial operation. The measurement focus is based on the measurement of net income and allows the reporting of all assets and liabilities associated with the activity.

Enterprise Funds. The Borough is responsible for the operation and maintenance of the Airport and Transit facilities. Both areas are included in this classification. It is the intent of the Borough that the costs (expenses including depreciation) of providing services to the general public be financed or recovered primarily through user charges. The acquisition, maintenance, and improvement of the physical plant facilities required to provide these services are financed from existing cash resources, property taxes, the issuance of general obligation bonds, and state grants.

Fiduciary Funds

This fund category shares similarities with the other two fund types but was created to account for those activities wherein the governmental unit acts as the trustee or agent on behalf of another party.

Agency Funds. The Borough maintains two agency funds, the School Revolving Fund and Deferred Compensation Plan Fund.

The School Revolving Fund is used to account for assets held by the Ketchikan Gateway Borough School District in a trustee capacity for various student body organizations.

The Deferred Compensation Plan Fund is used to account for the activity associated with the withholding and submission of voluntary employee contributions to an Internal Revenue Service Code 457 deferred compensation plan.

Account Groups

Account groups are self-balancing groups of accounts established to provide accountability and control for general fixed assets and unmatured general long-term debt.

Fixed Assets. Because governmental funds report the flow of current financial resources, the fixed assets account group is used to report and account for the assets acquired through those activities. Assets of the enterprise funds are recorded within those funds.

Long-Term Debt. The long-term debt account group is used to account for a government's unmatured long-term indebtedness that has not been identified as a specific fund liability of an enterprise fund.

C. Basis of Accounting.

Basis of accounting refers to the method of recognizing revenues, expenditures, expenses, transfers, and the related assets and liabilities in the accounts and the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or the accrual method. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary and fund operating statements present increases (revenues) and decreases (expenses) in net total assets.

Modified Accrual Basis of Accounting. The Borough's governmental funds use the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. "Measurable" means that amounts can be reasonably determined within the current period. "Available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Major revenues susceptible to accrual include property taxes levied and due in the current year even though a portion of the taxes are collected in the subsequent year. Sales taxes and penalty and interest on delinquent taxes are considered measurable when paid and are recognized as revenue at that time. Intergovernmental revenues received as reimbursement for specific purposes or projects are recognized in the period the expenditures are incurred. Intergovernmental revenue received but not yet earned is recorded as deferred revenue. In subsequent periods, when the Borough has legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Revenue from land sale contracts receivable are deferred until the receivables are collected.

Expenditures are recorded when the goods and services are received. Exceptions to this general rule include accumulated nonvested sick pay amounts which are not accrued and principal and interest on general long-term debt which is recognized when due.

The Borough's fiduciary funds also use the modified accrual basis of accounting. Since agency funds do not involve measurement of results of operations, they have no measurement focus as such. Assets and liabilities are recognized when they occur, regardless of the related cash flow.

Accrual Basis of Accounting. The proprietary funds use the full accrual basis of accounting in that revenues are recognized when earned and expenses are recognized when the liability is incurred. All assets and all liabilities, whether current or noncurrent, associated with fund activity are included on the balance sheet. Proprietary fund operating statements present increases (revenues) and decreases (expenses) in net total assets. Fixed asset acquisitions by the enterprise funds are capitalized at cost, and depreciation is computed on the straight-line method over the estimated useful life of the asset, ranging from five to forty years.

D. Budget Policy.

Budgets are adopted annually for the General and Special Revenue funds; all appropriations lapse at fiscal year end. The annual Debt Service requirements are budgeted as operating transfers from the General Fund to the Debt Service Funds. Capital Projects fund budgets are adopted on a project length basis.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Open encumbrances at year end are treated as reservations of fund balances since the commitments will be honored through subsequent years' expenditures. Borough code allows an additional appropriation to subsequent years' appropriation to the extent of the open encumbrance.

E. Cash and Investments.

The Borough utilizes a central treasury to aggregate cash from all funds for cash management and investment purposes. Each fund has an account titled "equity in central treasury" which is the cash balance of that particular fund. Each fund whose monies are deposited in the central treasury has equity therein. Interest income on investments is allocated monthly to participating funds based on their ending equity balance.

Borough ordinance authorizes the Borough to invest in obligations of the U. S. Treasury, its agencies and instrumentalities, bankers' acceptances of the fifty largest banks, highest rated commercial paper, repurchase agreements, fully collateralized certificates of deposits, and highest rated bonds and notes issued by a state or political subdivision thereof. Borough ordinance places limitations on maturity of investments, and Borough investment procedures limit the level of investment by type.

Investments are stated at cost except for investments in the Deferred Compensation Fund, which are reported at market value.

F. Short-term Interfund Receivables/Payables.

Certain accounts within funds have made disbursements from the central treasury in excess of their individual equities. Consequently the General Fund has made a short-term loan to these funds. Short-term interfund loans are classified as "due from other funds" on the balance sheet.

G. Inventories

Inventories in the Special Revenue School Fund are carried at cost on the first-in, first-out method. These inventories consist of expendable supplies, equipment, and foodstuffs held at the central warehouse for issuance to schools or other district locations. The cost of inventory items is included in expenditures when issued for consumption. A portion of fund balance is reserved for inventory to indicate that inventory does not represent available, spendable resources even though it is a component of assets.

Other inventories of materials and supplies are considered immaterial and are recorded as expenditures when purchased.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 1990, are recorded as prepaid items.

I. Fixed Assets

General fixed assets are not capitalized in the funds used to construct or acquire them. Instead, capital acquisition and construction are reflected as expenditures in the governmental funds, and the related assets are reported in the General Fixed Assets Account Group. All purchased fixed assets are valued at historical cost. Donated fixed assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or extend the asset life are not capitalized. Improvements are capitalized and depreciated over the remaining useful life of the related fixed asset, as applicable.

Public domain or infrastructure consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, and lighting systems, are not capitalized since they are immovable and of value only to the Borough. Assets in the General Fixed Assets Account Group are not depreciated. Depreciation of buildings, equipment, and vehicles in the proprietary funds types is computed using the straight line method.

Interest is capitalized on proprietary fund assets acquired with tax exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. No interest was capitalized in 1990.

J. Compensated Absences

The Borough, School District, and service areas recognize a liability for the net amount of accrued accumulated vacation and vested sick leave. Accumulated vacation may be received in cash, subject to certain restrictions, by the employee at any time. Unused sick leave is vested at 25% for the first five years of employment, an additional 25% is vested through year nine, after 10 years of employment an employee is vested at 100%. Vested sick leave may only be received in cash by the employee upon termination of employment. For this reason, accumulated vacation and vested sick leave are fully funded within the fund type. The obligation of accumulated unpaid vacation and vested sick leave total \$438,021 at June 30, 1990.

The Borough does not accrue a liability for nonvested sick leave, payable only in the event of employee absence due to illness.

K. Long-term Obligations

Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the debt service fund. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the General Long-term Debt Account Group. Long-term debt expected to be financed from proprietary fund operations is accounted for in those funds.

Capital lease obligations are recognized at the net present value of the future minimum lease payments or the market value of the equipment as appropriate. A capital expenditure and other financing source are recognized in the year the lease is executed.

L. Fund Equity

Contributed capital is recorded in proprietary funds for those monies received from capital grants or inter-governmental revenues. Reserves for encumbrances, endowments, prepaids and inventories represent those portions of fund equity legally segregated for future use. Designated portions of fund balances for subsequent years' expenditures and working capital represent tentative plans for future use of financial resources.

M. Interfund Transactions

Quasi-external transactions are transactions that would be treated as revenues, expenditures, or expenses if they involved organizations external to the government unit and are accounted for as revenues and expenditures between the participating funds. Transactions that constitute reimbursement to a fund for expenditures initially made from it and that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the fund being reimbursed.

Except for quasi-external transactions and reimbursements, all other interfund activity is reported as operating transfers. Nonrecurring permanent transfers of equity are reported as residual equity transfers.

N. Total Columns-Memorandum Only

Total columns in the combined statements are captioned "Memorandum Only" to indicate that they are to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with GAAP. Such data are not comparable to a consolidation since the basis of accounting differs among the various funds and because interfund transfer eliminations have not been made in the aggregation of this data.

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations.

NOTE 2 - LEGAL COMPLIANCE - BUDGETS:

The budgetary data presented in the financial statements is reflective of the following procedure:

The Ketchikan Gateway Borough Board of Education is required by Alaska law to adopt and submit their annual budget to the Ketchikan Gateway Borough Assembly by April 1 of each year for approval by the Assembly of the total amount. Within 30 days after receipt of the School District budget, the Borough Assembly must determine the total amount of funds to be made available from local sources for school purposes and must furnish the Board of Education with a statement of this amount. By May 31 the Assembly must appropriate the local share of funding. Any

subsequent increases in the School District budget must be authorized by the Borough Assembly.

The Borough Manager shall prepare and submit to the Assembly, no later than the first regular assembly meeting in May of each year, a proposed annual budget and capital program for the next fiscal year, which shall contain detailed estimates of anticipated revenues and proposed expenditures for the year. The total of such proposed expenditures shall not exceed the total of such anticipated revenues. The Assembly then conducts public hearings to obtain taxpayer comment. The Assembly may add to, subtract from, or change appropriations but may not change the form of the budget. These budgets are legally enacted by passage of an ordinance and mill levies established. Alaska law mandates that tax levies be adopted no later than midnight of June 15 each year. The Borough prepares its budget on a GAAP basis.

Subsequent to the formal budget adoption, the Assembly may, by ordinance, transfer unencumbered balances between funds. The Borough Manager may transfer unencumbered balances within a fund, which is then reported to the Assembly at their next meeting. The legal level of control is at the fund level.

Emergency appropriations to meet public emergencies affecting life, health, welfare, or property may be made by the Assembly by ordinance without notice of public hearing. An Emergency appropriation is effective for 60 days. Other supplemental appropriations may be made only after a 30-day notice of public hearing.

During fiscal year 1990, the Borough Assembly made the following supplemental appropriations in the General and Special Revenue Funds:

- (1) Ordinance No. 734 adopted March 5, 1990, appropriated \$7,000 from the South End Fire Protection Service Area Fund.
- (2) Ordinance No. 736 adopted April 2, 1990, appropriated \$10,000 from the General Fund.
- (3) Ordinance No. 740 adopted April 23, 1990, appropriated \$15,000 from the General Fund.
- (4) Ordinance No. 749 adopted June 4, 1990, appropriated \$238,500 from the School Bond Capital Improvement Fund and \$73,600 from the Forest Park Service Area Fund.
- (5) Ordinance No. 752 adopted June 18, 1990, appropriated \$182,200 from the General Fund, \$53,400 from the Non-Areawide Fund.

Open encumbrances at fiscal year end are honored in the next year. Borough Code allows an additional appropriation in the subsequent year to the extent of the open encumbrance.

All budgetary data presented in this report has been prepared on the modified accrual basis of accounting for government type funds. Under current budgetary procedures, expenditures and encumbrances for a specific fund must not exceed the appropriation for that fund. In addition, the unexpended and encumbered balance of appropriation for each fund lapses at the end of each fiscal year.

NOTE 3 - DEPOSITS AND INVESTMENTS:

Deposits. At year end, the Borough's total cash balances was \$4,014,765 with bank balances of \$4,003,449 in several banking institutions. All of the bank balances are covered by federal depository insurance, CUNA insurance or by collateral held by the Borough's agent in the Borough's name.

Investments. Borough investments are insured, registered, or are securities which are held by the Borough or its agent in the Borough's name, which places them in the lowest risk category as defined by Statement No. 3 of the Governmental Accounting Standards Board. Money market mutual funds are not categorized as to risk as defined by Statement 3.

	Carrying Amount	Market Value of Investments
Repurchase Agreements with National Bank of Alaska:	\$5,000,000	\$5,000,000
Certificates of Deposits First Bank of Ketchikan	1,000,000	1,000,000
Government Securities Federal Home Loan Bank NYC/SLHMBS	1,009,440 11,960,836	1,000,000 12,327,360
Direct U. S. Government Obligations	20,000	20,000
Investments in Mutual Funds Uncollateralized	292,040	300,633
Investment in Deferred Compensation Mutual Fund	1,098,033	1,098,033
	<u>\$20,380,349</u>	<u>\$20,746,026</u>

NOTE 4 - RECEIVABLES:

Receivables at June 30, 1990, consist of the following:

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Fiduciary	Total
Taxes	\$ 17,910	\$9,817					\$ 27,727
Interest	550,546						550,546
Accounts	46,780	518,605		\$24,038	\$166,594		756,017
Land Sale Contracts		743,774					743,774
Intergovernmental	30,267						30,267
Interfund		<u>846,672</u>	<u>\$92,952</u>	<u>\$32,216</u>		<u>\$3,644</u>	<u>975,484</u>
Total Receivables	<u>\$645,503</u>	<u>\$2,118,868</u>	<u>\$92,952</u>	<u>\$ 56,254</u>	<u>\$166,594</u>	<u>\$3,644</u>	<u>\$3,083,815</u>

Property taxes attach as an enforceable lien on property as of July 1. Taxes are levied on July 1 and payable on September 30. The Borough bills and collects its own property taxes as well as those of the Special Revenue Funds and cities within the Borough. The taxes collected on behalf of the Borough cities are recorded as liabilities of the General Fund. The Borough property tax revenues are recognized when levied to the extent that they result in current receivables. The Borough is permitted by State law to levy up to \$3 per \$100 of assessed valuation for general government services other than the payment of principal and interest on long-term debt. State law prohibits taxation that will result in revenues from all sources exceeding \$1,500 per year for each person residing within the municipal boundaries or upon value that, when combined with the value of property otherwise taxable by the Borough, exceeds the product of 225 percent of the average per capita assessed full and true value or property in the state multiplied by the number of residents. The Borough is within these limits.

The Borough also collects its own sales tax as well as that of the cities within the Borough. The Borough-wide sales tax rate is 1.5% while the city rates vary from 3 to 3.5%. The sales tax collections for Borough cities are recorded as liabilities of the General Fund.

NOTE 5 - RESTRICTED ASSETS

In accordance with the terms of the Airport Revenue Bond, 1980 bond indenture, certain cash and investments in the Airport Enterprise Fund have been restricted for payment of bond principal and interest. These restricted funds must be maintained at a minimum level of \$50,000 until such time as there is an amount sufficient to pay the principal and interest on all of the bonds outstanding. At June 30, 1990, the amount restricted for payment of bond principal and interest was \$59,733.

NOTE 6 - DEFERRED REVENUE

Deferred revenue consists of the following:

	Grants	Other	Land Sales	Total
General		\$11,208		\$11,208
Special Revenue	\$605,697		\$743,774	1,349,471
Capital Projects	<u>53,907</u>	<u> </u>	<u> </u>	<u>53,907</u>
Total Deferred Revenue	<u>\$659,604</u>	<u>\$11,208</u>	<u>\$743,774</u>	<u>\$1,414,586</u>

The amount advanced on State Grants is \$659,604, which will be recognized as revenue when the related expenditures are incurred.

Other deferred revenues include prepayment of shared costs by the City of Ketchikan in the amount of \$11,208.

Deferred revenue of \$743,744 in the Land Trust Fund represents the future amount due on land sales contracts.

NOTE 7 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets is as follows:

	Balance July 1, 1989	Additions	Deletions	Balance June 30, 1990
Land	\$ 148,081			\$ 148,081
Buildings	28,894,027			28,894,027
Equipment	4,209,743	\$492,522	\$27,125	4,675,141
Leasehold Improvements		17,867		17,867
Total	<u>\$33,251,851</u>	<u>\$510,389</u>	<u>\$27,125</u>	<u>\$33,735,116</u>

The following is a summary of the changes in property, plant, and equipment for the Enterprise Funds during fiscal year 1990:

	Balance July 1, 1989	Additions	Deletions	Balance June 30, 1990
Field	\$2,759,203	\$34,532	\$10,742	\$2,782,993
Terminal	2,598,177	11,238	23,401	2,586,014
Ferry	1,519,118	2,721	168,368	1,353,471
Buses	<u>63,941</u>	<u>40,615</u>		<u>104,556</u>
	6,940,439	89,106	(202,511)	6,827,034
Accumulated Depreciation	<u>(2,813,847)</u>	<u>(240,433)</u>	<u>179,893</u>	<u>(2,874,387)</u>
Net Property, Plant, and Equipment	<u>\$4,126,592</u>	<u>(\$151,327)</u>	<u>(\$22,618)</u>	<u>\$3,952,647</u>

Depreciation is recorded for fixed assets in the Enterprise funds. Estimated useful lives by major class of depreciable fixed assets is as follows:

Airport Field Facilities	15-30 years
Vehicle and Moving Equipment	6-10 years
Airport Terminal Building	40 years
Equipment	6-10 years
Ferry Slip	40 years
Ferries	20 years

NOTE 8 - BUDGETARY ENTITY DIFFERENCES

The combined statement of revenues, expenditures and changes in fund balance, budget and actual, presents comparisons of the legally adopted budget (more fully described in Note 2) with actual data on a budgetary basis. Because two of the individual funds within the Special Revenue fund type do not legally adopt budgets on an annual basis, a reconciliation of the entity differences in the excess (deficiency) of revenues and other sources over expenditures and other uses of financial resources for the year ended June 30, 1990 is presented below:

	Special Revenue
Excess of revenues and other sources of financial resources over expenditures and other uses of financial resources (budgetary basis)	\$632,196
Adjustments:	
To record excess (deficiency) of revenues and other sources of financial resources over expenditures and other uses of financial resources for nonbudgeted funds	
Day Care Center Fund	(366)
State and Federal Grant Fund	<u>(2,200)</u>
Excess (deficiency) of revenues and other sources of financial resources over expenditures and other uses of financial resources (GAAP basis)	<u>\$629,630</u>

NOTE 9 - LONG-TERM DEBT

Following is a summary of changes in long-term debt for the year ended June 30, 1990.

	Balance June 30, 1989	Additions	Retirements	Balance June 30, 1990
Bonds	\$14,889,000	\$12,000,000	\$2,205,000	\$24,684,000
Capital Leases (Note 10)	157,189	72,688	43,276	186,601
Retirement Incentive Program	177,000		177,000	
	<u>\$15,223,189</u>	<u>\$12,072,688</u>	<u>\$2,425,276</u>	<u>\$24,870,601</u>

The Ketchikan Gateway Borough has issued general obligation bonds for acquisition and construction of schools and airports. School bonds are reported in the General Long-Term Debt Account Group while the Airport Enterprise Fund debt is included in the proprietary fund statements since it must be repaid from proprietary revenues. The general obligation school and airport bonds pledge the full faith and credit of the Borough.

A summary of changes in general Long-term Debt is as follows:

	June 30, 1989	Retired	Issued	June 30, 1990
Areawide General Obligation Bonds	\$13,209,000	\$2,020,000	\$12,000,000	\$23,189,000
Enterprise Fund				
General Obligation Bonds	1,340,000	165,000		1,175,000
Revenue Bonds	340,000	20,000		320,000
	<u>\$14,889,000</u>	<u>\$2,205,000</u>	<u>\$12,000,000</u>	<u>\$24,684,000</u>

Bonds payable at June 30, 1990 consist of the following individual issues:

General Obligations:

- 1958 Alaska Public Works Bonds due through 1978 at 2% interest
- 1972 Airport due through 1997 at 5.5-6.5% interest
- 1973 Airport due through 1993 at 5.5-6.5% interest
- 1974 School Refunding due through 1995 at 5-8% interest
- 1983 School Bonds due through 1994 at 5-8% interest
- 1989 School Bonds due through 2000 at 6-6.7% interest

The annual requirements to amortize all bonds outstanding as of June 30, 1990, including interest of \$7,200,751 for general obligations and \$160,000 for revenue bonds, are as follows:

Year Ending June 30	General Obligation Bonds	Revenue
1991	\$ 6,100,337	\$ 45,600
1992	5,231,577	49,000
1993	5,164,475	47,000
1994	5,035,374	45,000
1995	2,278,888	48,000
1996	1,977,350	45,600
1997	1,696,750	48,200
1998	1,439,400	50,400
1999	1,360,200	47,200
2000	<u>1,280,400</u>	<u>54,000</u>
Total	\$ <u>31,564,751</u>	\$ <u>480,000</u>

The amount of \$59,733 is available in the Airport Enterprise Revenue Redemption and Reserve Fund to service revenue bonds.

NOTE 10 - CAPITAL LEASES PAYABLE

Also included in long term debt are the remaining balances on capital leases. The principal balances remaining on capital leases outstanding at June 30, 1990 are \$186,601.

	Capital Lease Obligation July 1, 1989	Principal Paid	Capital Additions	Capital Lease Obligation June 30, 1990
Shoreline Fire Truck	\$17,361	\$5,336		\$12,025
Southend Fire Truck	38,259	7,244		31,015
Computer Equipment	5,538	5,538		0
Computer Equipment	96,031	25,158		70,873
Southend Triple Pumper			\$72,688	72,688
Total Capital Leases	<u>\$157,189</u>	<u>\$43,276</u>	<u>\$72,688</u>	<u>\$186,601</u>

The following is a schedule of future minimum lease payments under these capital leases and present value of net minimum lease payments at June 30, 1990:

Fiscal Year Ending June 30:	Capital Lease Payable
1991	\$ 78,942
1992	71,748
1993	71,748
1994	<u>17,154</u>
Total Minimum Lease Payments	239,592
Less Amount Representing Interest	<u>52,991</u>
Present Value of Net Minimum Lease Payments	<u>\$186,601</u>

NOTE 11 - INTERFUND TRANSFERS:

Interfund operating transfers have been made in accordance with appropriating ordinances.

Funds are transferred from one fund to support expenditures of other funds in accordance with the authority established for the individual fund.

Transfers between funds for the year ended June 30, 1990, were as follows:

	Transfers Out	Transfer In
General Fund	\$6,106,092	\$ 164,229
Special Revenue	3,629,739	6,668,291
Capital Projects	588,479	113,440
Enterprise Funds	5,200	61,945
Debt Service		<u>3,321,605</u>
	<u>\$10,329,510</u>	<u>\$10,329,510</u>

NOTE 12 - NEGATIVE UNDESIGNATED FUND BALANCES:

At June 30, 1990 the Borough had the following funds with negative fund balances:

Fund	Amount
Special Revenue	
Ketchikan School District - Operating Fund	\$266,238
Day Care Service Fund	366
State and Federal Grant Fund	<u>2,200</u>
Total Negative Undesignated Fund Balances	<u>\$268,804</u>

NOTE 13 - COMMITMENTS AND CONTINGENCIES:

A. Loss Contingencies

The Ketchikan Gateway Borough, in the normal course of its activities, is involved in various claims and pending litigations. In the opinion of management and the Borough's legal staff, the disposition of these matters is not expected to have a material adverse effect on the Borough's financial statements.

B. Capital Projects

At June 30, 1990, the Ketchikan Gateway Borough is committed for the completion of various projects in the amount of \$236,570 accounted for in the Capital Projects Funds.

C. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, would become a liability of the appropriate fund.

NOTE 14 - DEFERRED COMPENSATION PLAN:

The Borough and the School District offer its employees deferred compensation plans created in accordance with Internal Revenue Code, Section 457. The plans, available to all employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Borough and School District (without being restricted to the provisions of benefits under the plan), subject only to the claims of the Borough's and District's general creditors. Participants' rights under the plans are equal to those of general creditors in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of legal counsel that the Borough and School District have no liability for losses under the plans but do have the duty of due care that would be required of an ordinary prudent investor. The Borough and School District believe that it is unlikely that they will use the assets to satisfy the claims of general creditors in the future.

NOTE 15 - PENSION PLANS:

A. State of Alaska Public Employees' and Teachers' Retirement Systems

Substantially all of the employees of the Ketchikan Gateway Borough (Borough) and the Ketchikan Gateway Borough School District (School District) participate in the State of Alaska Public Employees' Retirement System (PERS), the State of Alaska Teachers' Retirement System (TRS), or Masters, Mates & Pilots (MMP) Plan.

THE PERS PLAN

The PERS is a defined benefit, agent multiple-employer public employee retirement system. The PERS was established by State of Alaska Statutes January 1, 1961 and includes employees of the State and its political subdivisions. Benefit provisions are modified from time to time through legislative action at the State level. Borough and School District employees contribute 6.75% of their annual pre-tax income, except emergency personnel, who contribute 7.5%. The Borough, and School District pay an amount that is actuarially determined on an annual basis. For fiscal year ended June 30, 1990, the contribution rates for the Borough and School District were 9.49% and 14.39%, respectively, of covered payroll. The Borough's total payroll was \$2,140,907, and the covered payroll was \$1,840,859. The School District's covered payroll was \$1,867,656.

Employees hired prior to July 1, 1986, with five or more years of credited service, are entitled to annual pension benefits beginning at normal retirement at 55 or early retirement at 50. For employees hired after June 30, 1986, the normal and early retirement ages are 60 and 55, respectively. The normal annual pension benefit for each year of service is equal to 2% of the member's highest three-year average monthly compensation for the first ten years of service, 2-1/4% for the second ten years of service, and 2-1/2% after that. All services earned prior to July 1, 1986, will be calculated using the 2% multiplier. Employees with 30 or more years of credited service (20 years for emergency

personnel) may retire at any age and receive a normal benefit.

Major medical benefits are provided without cost to all retirees first hired before July 1, 1986. Members first hired after June 30, 1986, may elect major medical benefits.

If an employee dies from occupational causes, the employee's spouse or dependent children receive a monthly pension from the PERS. Nonoccupational death benefits are paid based on years of service and would consist of either a lump sum benefit or a joint and survivor option. Active employees who become permanently disabled due to an occupational injury receive disability payments until normal retirement age, at which time they begin receiving normal retirement benefits. Credited service is adjusted to include the time that the employee was disabled.

THE TRS PLAN

The TRS is a defined benefit cost-sharing multi-employer plan. Participation is compulsory for certificated teachers, school nurses, and other certified personnel who are employed on a full-time or part-time basis in positions which require teaching certificates as a condition of employment. For fiscal year ended June 30, 1990, the School District's covered payroll was \$8,537,210, and total payroll for all employees was \$10,752,110.

The TRS was created by State of Alaska Statutes July 1, 1955. General employees with eight or more years of credited service are entitled to annual pension benefits beginning at normal retirement age (55) equal to 2% of their highest three-year average monthly compensation for each year of service. The plan permits early retirement at age 50 and retirement at any age after 20 years of creditable service. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity unless the member's spouse consents to another form of benefit. Minimum benefits for employees eligible for retirement are \$25 per month for each year of credited service. In addition, major medical benefits are provided. Voluntary supplemental contributions of 1% of base salary may be made by teachers who first joined the system before July 1, 1982.

If an active employee, first hired under the plan before July 1, 1982, is participating in the supplemental contribution provision, dies and is survived by a dependent child or children, the employee's spouse and children receive a survivor's allowance. The amount of the survivor's allowance is determined by the participant's base salary and the number of dependent children. If an active employee was first hired on or after July 1, 1982, is not participating in or eligible for coverage under the supplemental contribution provision, and dies from an occupational cause, the spouse or beneficiary will receive a monthly pension. The new benefit is based on the employee's average base salary at the time of his/her death and the credited service that would have accrued if the employee had lived and continued to work until normal retirement age.

Employer contributions are authorized by State of Alaska Statute 14.25.070. The actuarial determined employer contribution rate for fiscal year 1990 was 11.64% or \$993,732. The employee mandatory contribution rate was 7% or \$597,605.

THE MMP PLAN

The Masters, Mates and Pilots plan is a defined contribution plan and is funded entirely by employer contributions which are a fixed amount per employee, paid bimonthly. The Borough exercises no fiduciary responsibility over the MMP plan. Members of this plan include the ferryboat workers employed in positions covered by the Ketchikan Airport enterprise fund. Participants are eligible to participate immediately upon employment and are fully vested after ten years of service.

Contributions made to the plan during the year totaled \$12,330 or \$685 per employee per bimonthly payroll. This represents 9.59% of total covered payroll of \$128,549 and .57% of total payroll of \$2,140,907 respectively.

Funding Status and Progress

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and any step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is independent of the actuarial funding method used to determine contributions to the PERS and TRS. Further, the measure, which is the actuarial present value of credited projected benefits, is intended to allow comparisons between employers and help users assess, on a going-concern basis, the plan's funding status and progress made in accumulating sufficient assets to pay benefits when due. The pension benefit obligation was calculated as a part of the actuarial valuation, performed as of June 30, 1989 (latest available). Neither PERS nor TRS own any bonds or other debt instruments of any kind of the Borough.

Significant actuarial assumptions used to calculate the pension benefit obligations of PERS and TRS are identical to those used for funding purposes. The assumptions are:

1. Investment interest at 9% compounded annually, net of investment expenses.
2. Salary increases are 6.5% per year for the first five years and 5.5% per year thereafter.
3. Health cost inflation is 9% per year.
4. Mortality calculated with the 1984 Unisex Pension Mortality Table set back 1-1/2 years.

The pension benefit obligation of PERS as calculated at June 30, 1989, which is the most recent actuarial valuation, is as follows (in thousands):

	PERS		
	Borough	School District	Total
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	1,469	1,273	2,742
Current employees:			
Accumulated employee contributions including allocated investment earnings	546	383	929
Employer-financed vested	1,666	1,395	3,061
Employer-financed nonvested	<u>335</u>	<u>528</u>	<u>863</u>
Total pension benefit obligation	4,016	3,579	7,595
Net assets available for benefits, valuation based upon the market, except that fixed income investments are valued at book value	<u>3,877</u>	<u>2,203</u>	<u>6,080</u>
Unfunded pension benefit obligation	139	1,376	1,515
Net assets available for benefits as a percentage of pension benefit obligation	97%	62%	80%

At June 30, 1989 (latest available) the total TRS' pension benefit obligation was \$1,557,643,000 and the total net assets available for benefits were \$1,545,877,000.

Actuarial Determined Contribution Requirements and Contribution

The funding policies for PERS and TRS provide for actuarial determined periodic contribution rates that change over time to assure sufficient assets are accumulated to meet the obligations of the plans. The actuarial funding method used by PERS and TRS is the projected unit credit method. Significant actuarial assumptions used to calculate the pension benefit obligations are identical to those used for funding purposes. There were no changes in the PERS or TRS actuarial method or in the assumptions for the previous valuation.

For the PERS, the amount that employers contribute is made up of two components: (1) the normal cost rate which is 9.23% of covered payroll for all employers, which covers all future service liabilities; and (2) a past service rate, determined separately for each employer, sufficient to amortize such employer's unfunded past service liability with level payments over 25 years. The total employer contribution to PERS for the Borough was \$174,698, (9.49% of covered payroll), and the employee contribution was \$127,453 (6.75% to 7.5% of covered payroll). The School District employer contribution was \$408,644 (14.39% of covered payroll) and the employee contribution was \$126,067 (6.75% of covered payroll).

For the TRS, the School District's Actuarial determined contribution requirement was .9% of the total current year actuarial determined contribution requirements for all employers.

Three-Year Trend Information

The following table present trend information for the PERS. Data concerning the pension benefit obligation was taken from the most recent PERS actuarial report. In each case the actuarial report was dated June 30 of the year preceding the fiscal year of the column heading.

	Borough			School District		
	1990	1989	1988	1990	1989	1988
Net assets available as a percentage of PBO	97.0	99.5	99.9	62.0	52.6	57.3
Unfunded PBO as a percentage of covered payroll	7.6	1.2	.3	73.7	13.7	9.2
Employer contribution as a % of covered payroll	9.5	6.4	6.4	14.4	14.4	14.4

Additional trend information is available for the PERS and TRS systems taken as a whole in the State of Alaska Public Employees' and Teachers' Retirement Systems' actuarial valuation reports as of June 30, 1989 (latest available), and the State of Alaska Public Employee's and Teacher's Retirement Fund Annual Financial Report for fiscal year ended June 30, 1989. The information contained therein provides information about progress made in accumulating sufficient assets to pay benefits when due.

NOTE 16 - SEGMENT INFORMATION - ENTERPRISE FUNDS:

The Ketchikan Gateway Borough maintains two enterprise funds which are intended to be self-supporting through user fees charged for services and use of the facilities. Financial segment information as of and for the year ended June 30, 1990 is presented below.

	Ketchikan Airport	Transit	Total
Operating Revenues	\$1,961,583	\$69,146	\$2,030,729
Operating Grants, Entitlement and Shared Revenues	151,905	2,726	154,631
Depreciation Expense	233,317	7,116	240,433
Operating Income (Loss)	(85,963)	(12,234)	(98,197)
Operating Transfers (Out)		(5,200)	(5,200)
Net Income (Loss)	148,979	(13,246)	135,732
Property, Plant and Equipment Additions	48,492	40,615	89,107
Net Working Capital	(98,941)	(30,188)	(129,129)
Total Assets	4,579,459	76,270	4,655,729
Bonds and Other Long-term Liabilities	1,495,000		1,495,000
Total Equity	2,788,511	31,111	2,819,622

The Airport Fund is responsible for the operation and maintenance of the airport facilities and ferry system. The Transit fund is responsible for the operation and maintenance of the Borough's bus system.

GENERAL FUND STATEMENTS

The General Fund is the operating fund of the Borough. It is used to account for all financial resources except those required to be accounted for in separate funds.

The following statements are included in this section:

- Balance Sheet
- Statement of Revenues, Expenditures and Changes in Fund Balance
(Budget and Actual)

KETCHIKAN GATEWAY BOROUGH
GENERAL FUND
BALANCE SHEET
JUNE 30, 1990 and 1989

ASSETS	1990	1989
Cash & Temporary Investments	\$2,813,348	\$2,004,762
Accounts Receivable	46,780	72,281
Prepaid Insurance	2,695	60,086
Property Taxes Receivable	17,910	144,200
Due from Other Governments	30,267	227,886
Accrued Interest Receivable	550,546	162,045
	-----	-----
Total Assets	\$3,461,546	\$2,671,260
	=====	=====
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts Payable	\$159,933	\$228,614
Due to Other Governments	656,579	216,895
Due to Other Funds	644,125	723,922
Accrued Vacation & Sick Leave	125,987	141,818
Deferred Revenue	11,208	
	-----	-----
TOTAL LIABILITIES	1,597,832	1,311,250
Fund Balance		
Reserved for Prepaid Insurance	2,695	60,086
Reserved for Encumbrances	5,000	
Unreserved	1,856,019	1,299,925
	-----	-----
TOTAL FUND BALANCE	1,863,714	1,360,011
	-----	-----
Total Liabilities & Fund Balance	\$3,461,546	\$2,671,260
	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
FOR THE YEAR ENDED JUNE 30, 1990

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-89 Actual
REVENUES				
Taxes				
Real & Personal Property Taxes	\$4,124,699	\$4,037,665	(\$87,034)	\$4,025,742
Automobile & Boat Taxes	169,500	143,005	(26,495)	163,391
Sales Taxes	2,391,000	2,583,113	192,113	2,303,443
Penalty & Interest	75,000	31,549	(43,451)	19,376
Total Taxes	6,760,199	6,795,332	35,133	6,511,952
Payments in Lieu of Taxes				
Alaska State Housing Authority	14,000	15,003	1,003	14,039
Licenses and Permits				
Zoning Fees	5,000	13,786	8,786	3,770
Revenues from Other Governments				
State Municipal Assistance	415,467	415,208	(259)	449,117
State Revenue Sharing	188,185	188,185		222,053
State License Refunds	260,048	409,670	149,622	171,644
Timber Stumpage	14,000	225,387	211,387	13,765
Total Revenues	877,700	1,238,450	360,750	856,579
Charges for Services				
Animal Control	30,000	24,474	(5,526)	23,259
City of Ketchikan	234,401	197,000	(37,401)	238,258
Other Charges	27,250	31,920	4,670	12,861
Total Charges	291,651	253,394	(38,257)	274,378
Other Revenues				
Interest Income	350,000	769,575	419,575	424,521
Transfers from Other Funds				
Day Care Fund	31,160	29,611	(1,549)	31,718
Land Trust Fund	75,900	75,900		75,900
Transit Fund	5,200	5,200		5,200
Service Area Funds	16,298	16,298		10,216
School District Capital Projects		37,220	37,220	
Total Transfers	128,558	164,229	35,671	123,034
Total Revenues	\$8,427,108	\$9,249,769	\$822,661	\$8,208,273

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
FOR THE YEAR ENDED JUNE 30, 1990

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-89 Actual
EXPENDITURES				
Administration				
Mayor & Assembly	\$127,094	\$128,786	(\$1,692)	\$133,208
Law	324,995	357,045	(32,050)	301,301
Clerk	145,067	145,315	(248)	148,234
Manager	304,758	397,519	(92,761)	233,128
Finance-Accounting	200,220	266,714	(66,494)	164,803
Finance-Revenue	256,716	261,769	(5,053)	204,845
Finance-Assessing	298,327	292,811	5,516	245,755
Total Administration	<u>1,657,177</u>	<u>1,849,959</u>	<u>(192,782)</u>	<u>1,431,274</u>
Animal Control	171,496	201,577	(30,081)	170,730
Department of Planning and Community Development	411,493	401,576	9,917	374,564
Non Departmental	163,150	178,640	(15,490)	143,481
Capital Projects	136,100	8,222	127,878	12,670
Education				
Contractual Services				171,192
Insurance				261,820
Total Expenditures	<u>2,539,416</u>	<u>2,639,974</u>	<u>(100,558)</u>	<u>2,565,731</u>
Excess (Deficit) of Revenues over Expenditures	<u>5,887,692</u>	<u>6,609,795</u>	<u>722,103</u>	<u>5,642,542</u>
Other Financing Sources (Uses)				
Transfers to School Dist	(5,886,984)	(5,930,707)	(43,723)	(5,397,783)
Transfers to Airport Fund	(380,945)	(175,385)	205,560	(143,374)
Total Other Financing	<u>(6,267,929)</u>	<u>(6,106,092)</u>	<u>161,837</u>	<u>(5,541,157)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	<u>(380,237)</u>	<u>503,703</u>	<u>883,940</u>	<u>101,385</u>
Fund Balance Beginning of Year	<u>1,360,011</u>	<u>1,360,011</u>		<u>1,258,626</u>
Fund Balance End of Year	<u>\$979,774</u>	<u>\$1,863,714</u>	<u>\$883,940</u>	<u>\$1,360,011</u>

The Accompanying Notes are an Integral Part of the Financial Statements.

SPECIAL REVENUE FUND STATEMENTS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specific purposes. This does not include debt service resources, expendable trusts or major capital projects.

The following statements are included in this section:

Combining Statements - All Special Revenue Funds:

Balance Sheets

Statement of Revenues, Expenditures & Changes in Fund Balances

Individual Schedules of Revenues, Expenditures & Changes in Fund Balances

Budget and Actual for each Special Revenue Fund

The following individual funds are included in this section:

Ketchikan School District Funds

Operating Fund

Special Activities Fund

Day Care Service Fund

Land Trust Fund

Mud Bight Service Area Fund

Shoreline Fire District Fund

Mountain Point Service Area Fund

South End Fire District Fund

Waterfall Service Area Fund

South Tongass Service Area Fund

Forest Park Service Area Fund

Gold Nugget Service Area Fund

Non Areawide Fund

State & Federal Grants Fund

School Bond/Capital Improvements Fund

KETCHIKAN GATEWAY BOROUGH
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 1990

	Ketchikan School District Operating Fund	Special Activities Fund	Day Care Services Fund
ASSETS			
Cash & Temporary Investments	\$21,121		(\$45,093)
Property Taxes Receivable			
Accounts Receivable	32,591	\$320,521	82,541
Inventory		22,321	
Due From Other Funds	799,403	47,269	
Deferred Accounts Receivable			
Prepaid Expense	284,861		
	-----	-----	-----
Total Assets	<u>\$1,137,976</u>	<u>\$390,111</u>	<u>\$37,448</u>
 LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$596,902	\$145,684	\$37,814
Due to Other Funds	172,707	150,674	
Accrued Vacation & Sick Leave	150,552		
Deferred Revenues	21,300	2,248	
	-----	-----	-----
Total Liabilities	<u>941,461</u>	<u>298,606</u>	<u>37,814</u>
 Fund Balances			
Reserved for Encumbrances	177,892		
Reserved for Prepaid	284,861		
Reserved for Inventory		22,321	
Unreserved Fund Balance	(266,238)	69,184	(366)
	-----	-----	-----
Total Fund Balance	<u>196,515</u>	<u>91,505</u>	<u>(366)</u>
Total Liabilities and Fund Balances	<u>\$1,137,976</u>	<u>\$390,111</u>	<u>\$37,448</u>

The Accompanying Notes are an Integral Part of the Financial Statements.

Land Trust Fund	Mud Bight Service Area Fund	Shoreline Fire District Fund	Mountain Point Service Area Fund	South End Fire District Fund
\$4,625,279 134	\$52,658 4,460	\$45,243 88	\$81,629 544	\$86,763 543
743,774				
-----	-----	-----	-----	-----
<u>\$5,369,187</u>	<u>\$57,118</u>	<u>\$45,331</u>	<u>\$82,173</u>	<u>\$87,306</u>
\$14,557		\$5,819	\$16	\$4,360
743,774	\$22,520			
-----	-----	-----	-----	-----
758,331	22,520	5,819	16	4,360
-----	-----	-----	-----	-----
47,000				
4,563,856	34,598	39,512	82,157	82,946
-----	-----	-----	-----	-----
4,610,856	34,598	39,512	82,157	82,946
-----	-----	-----	-----	-----
<u>\$5,369,187</u>	<u>\$57,118</u>	<u>\$45,331</u>	<u>\$82,173</u>	<u>\$87,306</u>

KETCHIKAN GATEWAY BOROUGH
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 1990

	Waterfall Service Area Fund	So Tongass Service Area Fund	Forest Park Service Area Fund
ASSETS			
Cash & Temporary Investments	\$30,802	\$6,277	\$305,194
Property Taxes Receivable			
Accounts Receivable			
Inventory			
Due From Other Funds			
Deferred Accounts Receivable			
Prepaid Expense			
	-----	-----	-----
Total Assets	<u>\$30,802</u>	<u>\$6,277</u>	<u>\$305,194</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable			\$2,801
Due to Other Funds			
Accrued Vacation & Sick Leave			
Deferred Revenues			
	-----	-----	-----
Total Liabilities			<u>2,801</u>
Fund Balances			
Reserved for Encumbrances			
Reserved for Prepaid			
Reserved for Inventory			
Unreserved Fund Balance	30,802	6,277	302,393
	-----	-----	-----
Total Fund Balance	<u>30,802</u>	<u>6,277</u>	<u>302,393</u>
	-----	-----	-----
Total Liabilities and Fund Balances	<u>\$30,802</u>	<u>\$6,277</u>	<u>\$305,194</u>

The Accompanying Notes are an Integral Part of the Financial Statements.

Gold Nugget Service Area Fund	Non Areawide Fund	State & Federal Grants Fund	School Bond/ Capital Improvements Fund	Total
\$3,082	\$67,831 4,048	\$558,077 82,952	\$2,202,798	\$8,041,661 9,817 518,605 22,321 846,672 743,774 284,861
-----	-----	-----	-----	-----
<u>\$3,082</u>	<u>\$71,879</u>	<u>\$641,029</u>	<u>\$2,202,798</u>	<u>\$10,467,711</u>
	\$13,940	\$83,600	\$75	\$905,568 323,381 150,552 1,349,471
-----	-----	559,629	-----	-----
-----	<u>13,940</u>	<u>643,229</u>	<u>75</u>	<u>2,728,972</u>
				224,892 284,861 22,321 7,206,665
<u>3,082</u>	<u>57,939</u>	<u>(2,200)</u>	<u>2,202,723</u>	<u>7,206,665</u>
<u>3,082</u>	<u>57,939</u>	<u>(2,200)</u>	<u>2,202,723</u>	<u>7,738,739</u>
<u>\$3,082</u>	<u>\$71,879</u>	<u>\$641,029</u>	<u>\$2,202,798</u>	<u>\$10,467,711</u>

KETCHIKAN GATEWAY BOROUGH
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 1990

	Ketchikan School District Operating Fund	Special Activities Fund	Day Care Service Fund
REVENUES			
Taxes			
State Revenues	\$9,552,859	\$539,099	\$325,925
Federal Revenues	47,026	612,077	
Charges for Services	14,471	229,888	
Other Revenues	27,420	5,464	
	-----	-----	-----
Total Revenues	9,641,776	1,386,528	325,925
	-----	-----	-----
EXPENDITURES			
Public Services			296,680
Education	15,016,282	1,734,372	
Capital Outlay			
	-----	-----	-----
Total Expenditures	15,016,282	1,734,372	296,680
	-----	-----	-----
Excess (Deficit) of Revenues over Expenditures	(5,374,506)	(347,844)	29,245
	-----	-----	-----
Other Financing Sources (Uses)			
Operating Transfers In	5,747,732	369,300	
Operating Transfers Out	(441,817)		(29,611)
	-----	-----	-----
Total Other Financing	5,305,915	369,300	(29,611)
	-----	-----	-----
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(68,591)	21,456	(366)
	-----	-----	-----
Fund Balance, July 1, 1989	265,106	70,049	
	-----	-----	-----
Fund Balance, June 30, 1990	\$196,515	\$91,505	(\$366)
	=====	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

Land Trust Fund	Mud Bight Service Area Fund	Shoreline Service Area Fund	Mountain Point Service Area Fund	South End Fire District Fund
\$135	\$1,206	\$20,723		\$57,553
416,958	28,014	522		2,936
470,162	6,011	5,077	\$21,300	3,000
-----	-----	-----	6,146	13,929
887,255	35,231	26,322	27,446	77,418
-----	-----	-----	-----	-----
22,800	25,000	33,970	7,592	147,285
-----	-----	-----	-----	-----
22,800	25,000	33,970	7,592	147,285
-----	-----	-----	-----	-----
864,455	10,231	(7,648)	19,854	(69,867)
-----	-----	-----	-----	-----
(75,900)	(3,000)	(1,943)	(1,623)	(7,068)
-----	-----	-----	-----	-----
(75,900)	(3,000)	(1,943)	(1,623)	(7,068)
-----	-----	-----	-----	-----
788,555	7,231	(9,591)	18,231	(76,935)
3,822,301	27,367	49,103	63,926	159,881
-----	-----	-----	-----	-----
\$4,610,856	\$34,598	\$39,512	\$82,157	\$82,946
=====	=====	=====	=====	=====

KETCHIKAN GATEWAY BOROUGH
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 1990

	Waterfall Service Area Fund	So Tongass Service Area Fund	Forest Park Service Area Fund
REVENUES			
Taxes			
State Revenues			
Federal Revenues			
Charges for Services	\$10,965		\$47,635
Other Revenues	2,133	\$510	1,987
	-----	-----	-----
Total Revenues	13,098	510	49,622
	-----	-----	-----
EXPENDITURES			
Public Services	322	(29)	72,004
Education			
Capital Outlay			
	-----	-----	-----
Total Expenditures	322	(29)	72,004
	-----	-----	-----
Excess (Deficit) of Revenues over Expenditures	12,776	539	(22,382)
	-----	-----	-----
Other Financing Sources (Uses)			
Operating Transfers In			
Operating Transfers Out	(100)		(2,314)
	-----	-----	-----
Total Other Financing	(100)		(2,314)
	-----	-----	-----
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	12,676	539	(24,696)
Fund Balance, July 1, 1989	18,126	5,738	327,089
	-----	-----	-----
Fund Balance, June 30, 1990	\$30,802	\$6,277	\$302,393
	=====	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

Gold Nugget Service Area Fund	Non Areawide Fund	State & Federal Grants Fund	School Bond/ Capital Improvements Fund	Total
	\$273,269			\$352,886
	8,739	\$733,707	\$2,480,343	13,672,144
\$4,959				1,076,061
32	10,450	7,211	226,099	332,218
-----	-----	-----	-----	-----
4,991	292,458	740,918	2,706,442	16,215,940
-----	-----	-----	-----	-----
1,855	293,477	743,118		1,644,074
-----	-----	-----		16,750,654
			230,134	230,134
1,855	293,477	743,118	230,134	18,624,862
-----	-----	-----	-----	-----
3,136	(1,019)	(2,200)	2,476,308	(2,408,922)
-----	-----	-----	-----	-----
(250)			551,259	6,668,291
-----	-----	-----	(3,066,113)	(3,629,739)
(250)			(2,514,854)	3,038,552
-----	-----	-----	-----	-----
2,886	(1,019)	(2,200)	(38,546)	629,630
196	58,958		2,241,269	7,109,109
-----	-----	-----	-----	-----
\$3,082	\$57,939	(\$2,200)	\$2,202,723	\$7,738,739
=====	=====	=====	=====	=====

KETCHIKAN GATEWAY BOROUGH
SCHOOL DISTRICT OPERATING FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
YEAR ENDED JUNE 30, 1990

	Budget	Actual	Encumbrance	Variance Favorable (Unfavorable)	Year Ended 6-30-89 Actual
REVENUES					
State Sources	\$9,553,145	\$9,552,859		(\$286)	\$9,189,865
Federal Sources	43,751	47,026		3,275	13,191
Charges for Services	13,400	14,471		1,071	35,945
Other	26,800	27,420		620	37,872
Total Revenues	9,637,096	9,641,776	-----	4,680	9,276,873
EXPENDITURES					
Education					
Instruction	9,669,212	9,655,522	\$11,465	2,225	9,497,903
Supporting Services	2,940,304	2,846,982	(6,140)	99,462	2,638,699
Plant Operations & Maint	2,288,255	2,324,822	(57,122)	20,555	2,350,402
Non-Programmed Charges	192,863	188,956		3,907	39,073
Total	15,090,634	15,016,282	(51,797)	126,149	14,526,077
Excess (Deficiency) of Revenues over Expenditures	(5,453,538)	(5,374,506)	(51,797)	130,829	(5,249,204)
TRANSFERS TO (FROM) OTHER FUNDS					
Debt Service	(222,541)	(255,492)		(32,951)	
Food Service Fund	(60,356)	(60,356)			(71,829)
General Fund	5,836,790	5,747,732		(89,058)	5,288,152
Special Activities Fund	(125,500)	(125,969)		(469)	(218,393)
Net Other Financing Sources (Uses)	5,428,393	5,305,915	-----	(122,478)	4,997,930
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(25,145)	(68,591)	(51,797)	8,351	(251,274)
Fund Balances Beginning of Year	265,106	265,106	-----	-----	516,380
Fund Balances End of Year	\$239,961	\$196,515	\$51,797	(\$8,351)	\$265,106
	=====	=====	=====	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 SCHOOL DISTRICT SPECIAL ACTIVITIES FUND
 FOR YEAR ENDED JUNE 30, 1990

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-89 Actual
REVENUES:				
State Sources	\$590,326	\$539,099	(\$51,227)	\$681,452
Federal Sources	664,034	612,077	(51,957)	607,492
Charges for Services	221,647	229,888	8,241	133,524
Other Revenues	9,519	5,464	(4,055)	108,714
Total Revenues	1,485,526	1,386,528	(98,998)	1,531,182
EXPENDITURES:				
Education				
Instruction	741,089	674,225	66,864	681,428
Supporting Services	213,490	222,367	(8,877)	224,024
Plant Operations & Maintenance	64,775	49,449	15,326	41,994
Food Services	325,003	307,238	17,765	307,768
Pupil Transportation	510,000	481,093	28,907	474,346
Total Expenditures	1,854,357	1,734,372	119,985	1,729,560
Operating Transfers From (To)				
Special Activities Fund	125,500	125,969	469	131,000
General Fund	243,331	243,331		71,829
Net Other Financing Sources (Uses)	368,831	369,300	469	202,829
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other		21,456	21,456	4,451
Fund Balances, July 1, 1989	70,049	70,049		65,598
Fund Balances, June 30, 1990	\$70,049	\$91,505	\$21,456	\$70,049

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 DAY CARE SERVICE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
 YEAR ENDED JUNE 30, 1990

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-89 Actual
REVENUES				
Intergovernmental State Grant	-----	\$325,925	\$325,925	\$349,562
EXPENDITURES				
Public Services	-----	296,680	(296,680)	317,844
Total Expenditures	-----	296,680	(296,680)	317,844
Excess (Deficit) of Revenues over Expenditures	-----	29,245	29,245	31,718
Other Financing Sources (Uses) Operating Transfers Out		(29,611)	(29,611)	(31,718)
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses		(366)	(366)	
Fund Balance Beginning of Year	-----			-----
Fund Balance End of Year	=====	(\$366)	(\$366)	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 LAND TRUST FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
 YEAR ENDED JUNE 30, 1990 AND 1989

	Budget	Actual	Variance Favorable	Year Ended 6-30-89 Actual
REVENUES:				
Taxes		\$135	\$135	
Federal Grant	\$370,000	416,958	46,958	\$374,059
Interest Income	150,000	351,561	201,561	219,984
Sale of Land	200,000	118,601	(81,399)	298,782
Total Revenues	<u>720,000</u>	<u>887,255</u>	<u>167,255</u>	<u>892,825</u>
EXPENDITURES:				
Public Services	101,000	22,800	78,200	20,808
Total Expenditures	<u>101,000</u>	<u>22,800</u>	<u>78,200</u>	<u>20,808</u>
Excess (Deficit) of Revenues over Expenditures	619,000	864,455	245,455	872,017
Other Financing Sources (Uses) Operating Transfers Out	<u>(75,900)</u>	<u>(75,900)</u>		<u>(75,900)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	543,100	788,555	245,455	796,117
Fund Balance Beginning of Year	3,822,301	3,822,301		3,026,184
Fund Balance End of Year	<u>\$4,365,401</u>	<u>\$4,610,856</u>	<u>\$245,455</u>	<u>\$3,822,301</u>

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
MUD BIGHT SERVICE AREA FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
YEAR ENDED JUNE 30, 1990

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-89 Actual
REVENUES:				
Taxes:				
Real & Personal	\$2,086	\$1,206	(\$880)	\$5,536
Penalty & Interest				
	<u>2,086</u>	<u>1,206</u>	<u>(880)</u>	<u>5,536</u>
Intergovernmental:				
State Revenue Sharing	14	14		
State Grant		28,000	28,000	86
	<u>14</u>	<u>28,014</u>	<u>28,000</u>	<u>86</u>
Other Revenue:				
Services				150
Interest Income	250	6,011	5,761	7,735
	<u>250</u>	<u>6,011</u>	<u>5,761</u>	<u>7,735</u>
Total Revenues	<u>2,350</u>	<u>35,231</u>	<u>32,881</u>	<u>13,507</u>
EXPENDITURES:				
Contract Services	60,000	25,000	35,000	240
	<u>60,000</u>	<u>25,000</u>	<u>35,000</u>	<u>240</u>
Total Expenditures	<u>60,000</u>	<u>25,000</u>	<u>35,000</u>	<u>240</u>
Excess (Deficit) of Revenues over Expenditures	<u>(57,650)</u>	<u>10,231</u>	<u>67,881</u>	<u>13,267</u>
Other Financing Sources (Uses)				
Operating Transfers Out	(3,000)	(3,000)		(3,000)
	<u>(3,000)</u>	<u>(3,000)</u>	<u></u>	<u>(3,000)</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	<u>(60,650)</u>	<u>7,231</u>	<u>67,881</u>	<u>10,267</u>
Fund Balance, Beginning of Year	<u>27,367</u>	<u>27,367</u>	<u></u>	<u>17,100</u>
Fund Balance, End of Year	<u>(\$33,283)</u>	<u>\$34,598</u>	<u>\$67,881</u>	<u>\$27,367</u>

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 SHORELINE SERVICE AREA FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
 YEAR ENDED JUNE 30, 1990

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-89 Actual
REVENUES:				
Taxes:				
Real & Personal Property	\$19,740	\$20,414	\$674	\$16,148
Automobile and Boat Taxes		309	309	360
	-----	-----	-----	-----
	19,740	20,723	983	16,508
	-----	-----	-----	-----
Intergovernmental:				
State Revenue Sharing	522	522		605
	-----	-----	-----	-----
Other Revenue:				
Interest Income	2,000	5,077	3,077	4,533
	-----	-----	-----	-----
Total Revenues	22,262	26,322	4,060	21,646
	-----	-----	-----	-----
EXPENDITURES:				
Community Development and Planning	40,794	33,970	6,824	25,040
	-----	-----	-----	-----
Total Expenditures	40,794	33,970	6,824	25,040
	-----	-----	-----	-----
Excess (Deficit) of Revenues over Expenditures	(18,532)	(7,648)	10,884	(3,394)
Other Financing Sources (Uses) Operating Transfer Out		(1,943)	(1,943)	(1,175)
	-----	-----	-----	-----
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(18,532)	(9,591)	8,941	(4,569)
Fund Balance, Beginning of Year	49,103	49,103		53,672
	-----	-----	-----	-----
Fund Balance, End of Year	\$30,571	\$39,512	\$8,941	\$49,103
	=====	=====	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
MOUNTAIN POINT SERVICE AREA FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
YEAR ENDED JUNE 30, 1990

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-89 Actual
REVENUES				
Charges for Services				
Water Service	\$25,500	\$21,300	(\$4,200)	\$14,430
Other Revenue				
Interest Income	3,000	6,146	3,146	5,001
Total Revenues	<u>28,500</u>	<u>27,446</u>	<u>(1,054)</u>	<u>19,431</u>
EXPENDITURES				
Public Services	34,073	7,592	26,481	4,967
Total Expenditures	<u>34,073</u>	<u>7,592</u>	<u>26,481</u>	<u>4,967</u>
Excess (Deficit) of Revenues over Expenditures	(5,573)	19,854	25,427	14,464
Other Financing Sources (Uses)				
Operating Transfers Out		(1,623)	(1,623)	(1,046)
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(5,573)	18,231	23,804	13,418
Fund Balance Beginning of Year	63,926	63,926		50,508
Fund Balance, End of Year	<u>\$58,353</u>	<u>\$82,157</u>	<u>\$23,804</u>	<u>\$63,926</u>

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
SOUTH END FIRE DISTRICT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
YEAR ENDED JUNE 30, 1990 AND 1989

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-89 Actual
REVENUES:				
Taxes:				
Real & Personal	\$55,585	\$55,856	\$271	\$56,431
Automobile & Boat		1,697	1,697	1,981
	<u>55,585</u>	<u>57,553</u>	<u>1,968</u>	<u>58,412</u>
Intergovernmental:				
State Revenue Sharing	2,936	2,936		3,463
State Revenue				4,944
	<u>2,936</u>	<u>2,936</u>		<u>8,407</u>
Charges for Services:				
Rental Income	3,260	3,000	(260)	3,000
Other Revenue:				
Interest Income	10,000	13,929	3,929	12,097
Total Revenues	<u>71,781</u>	<u>77,418</u>	<u>5,637</u>	<u>81,916</u>
EXPENDITURES:				
Public Services	141,355	147,285	(5,930)	45,810
Total Expenditures	<u>141,355</u>	<u>147,285</u>	<u>(5,930)</u>	<u>45,810</u>
Excess (Deficit) of Revenues over Expenditures	(69,574)	(69,867)	(293)	36,106
Other Financing Sources (Uses) Operating Transfers Out	(7,068)	(7,068)		(2,501)
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(76,642)	(76,935)	(293)	33,605
Fund Balance, Beginning of Year	159,881	159,881		126,276
Fund Balance, End of Year	<u>\$83,239</u>	<u>\$82,946</u>	<u>(\$293)</u>	<u>\$159,881</u>

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 WATERFALL SERVICE AREA FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
 YEAR ENDED JUNE 30, 1990 AND 1989

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-89 Actual
REVENUES:				
Charges for Services:				
Other Charges	\$5,000	\$10,965	\$5,965	\$554
Other Revenue:				
Interest Income	1,100	2,133	1,033	1,679
Total Revenues	6,100	13,098	6,998	2,233
EXPENDITURES:				
Contract Services	2,000	322	1,678	3,640
Total Expenditures	2,000	322	1,678	3,640
Excess (Deficit) of Revenues over Expenditures	4,100	12,776	8,676	(1,407)
Other Financing Sources (Uses) Operating Transfers Out	(100)	(100)		(150)
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	4,000	12,676	8,676	(1,557)
Fund Balance, Beginning of Year	18,126	18,126		19,683
Fund Balance, End of Year	\$22,126	\$30,802	\$8,676	\$18,126

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 SOUTH TONGASS SERVICE AREA FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
 YEAR ENDED JUNE 30, 1990 AND 1989

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-89 Actual
REVENUES:				
Other Revenue:				
Interest Income	\$500	\$510	\$10	\$553
	-----	-----	-----	-----
Total Revenues	500	510	10	553
	-----	-----	-----	-----
EXPENDITURES:				
Community Development and Planning		(29)	29	
	-----	-----	-----	-----
Total Expenditures		(29)	29	
	-----	-----	-----	-----
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	500	539	39	553
Fund Balance, Beginning of Year	5,738	5,738		5,185
	-----	-----	-----	-----
Fund Balance, End of Year	\$6,238	\$6,277	\$39	\$5,738
	=====	=====	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
FOREST PARK SERVICE AREA FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
YEAR ENDED JUNE 30, 1990

	Budget	Actual	Variance Favorable (Unfavorable)	Year End 6-30-89 Actual
REVENUES:				
Charges for Services:				
Other Charges	\$48,600	\$47,635	(\$965)	\$24,960
Other Revenue:				
Interest Income	1,000	1,987	987	30,966
Total Revenues	49,600	49,622	22	55,926
EXPENDITURES:				
Contract Services	71,286	72,004	(718)	37,591
Contributions				(311,137)
Total Expenditures	71,286	72,004	(718)	(273,546)
Excess (Deficit) of Revenues over Expenditures	(21,686)	(22,382)	(696)	329,472
Other Financing Sources (Uses)				
Operating Transfers Out	(2,314)	(2,314)		(2,383)
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(24,000)	(24,696)	(696)	327,089
Fund Balance, Beginning of Year	327,089	327,089		
Fund Balance, End of Year	\$303,089	\$302,393	(\$696)	\$327,089

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 GOLD NUGGET SERVICE AREA FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
 YEAR ENDED JUNE 30, 1990

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-89 Actual
REVENUES:				
Services	\$5,250	\$4,959	(\$291)	
Other Revenue	250	32	(218)	\$300
	-----	-----	-----	-----
Total Revenues	5,500	4,991	(509)	300
	-----	-----	-----	-----
EXPENDITURES:				
Community Development and Planning	5,000	1,855	3,145	104
	-----	-----	-----	-----
Total Expenditures	5,000	1,855	3,145	104
	-----	-----	-----	-----
Excess (Deficit) of Revenues over Expenditures	500	3,136	2,636	196
Other Financing Sources (Uses) Operating Transfers Out	(250)	(250)		
	-----	-----	-----	-----
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	250	2,886	2,636	196
Fund Balance, Beginning of Year	196	196		
	-----	-----	-----	-----
Fund Balance, End of Year	\$446	\$3,082	\$2,636	\$196
	=====	=====	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
NON AREAWIDE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
YEAR ENDED JUNE 30, 1990 AND 1989

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-89 Actual
REVENUES:				
Taxes:				
Real & Personal	\$269,127	\$273,269	\$4,142	\$250,674
Penalty & Interest	1,500		(1,500)	
	<u>270,627</u>	<u>273,269</u>	<u>2,642</u>	<u>250,674</u>
Intragovernmental:				
State Revenue Sharing	8,740	8,739	(1)	12,912
	<u>8,740</u>	<u>8,739</u>	<u>(1)</u>	<u>12,912</u>
Other Revenue:				
Interest Income	3,000	10,450	7,450	11,122
Total Revenues	<u>282,367</u>	<u>292,458</u>	<u>10,091</u>	<u>274,708</u>
EXPENDITURES:				
Library Services	189,087	189,087		160,000
Economic Development	120,450	104,390	16,060	100,427
Total Expenditures	<u>309,537</u>	<u>293,477</u>	<u>16,060</u>	<u>260,427</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(27,170)	(1,019)	26,151	14,281
Fund Balance, Beginning of Year	58,958	58,958		44,677
Fund Balance, End of Year	<u>\$31,788</u>	<u>\$57,939</u>	<u>\$26,151</u>	<u>\$58,958</u>

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
STATE AND FEDERAL GRANTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
YEAR ENDED JUNE 30, 1990 AND 1989

	Budget	Actual	Variance Favorable (Unfavorable)	Year Ended 6-30-89 Actual
REVENUES:				
Intergovernmental:				
State Grant		\$733,707	\$733,707	\$662,547
Federal Grant				59,483
	-----	-----	-----	-----
		733,707	733,707	722,030
	-----	-----	-----	-----
Other Revenue:				
Interest Income		7,211	7,211	5,640
	-----	-----	-----	-----
Total Revenues		740,918	740,918	727,670
	-----	-----	-----	-----
EXPENDITURES:				
Public Services		743,118	(743,118)	727,670
	-----	-----	-----	-----
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses		(2,200)	(2,200)	
Fund Balance, Beginning of Year				
	-----	-----	-----	-----
Fund Balance, End of Year		(\$2,200)	(\$2,200)	
	=====	=====	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 SCHOOL BOND/CAPITAL IMPROVEMENTS FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (BUDGET AND ACTUAL)
 YEAR ENDED JUNE 30, 1990 AND 1989

	Budget	Actual	Variance Favorable (Unfavorable)	Year End 06-30-89 Actual
REVENUES:				
Intergovernmental:				
State Grant	\$2,632,834	\$2,480,343	(\$152,491)	\$2,982,011
	-----	-----	-----	-----
Other Revenue:				
Interest Income	100,000	226,099	126,099	208,478
	-----	-----	-----	-----
Total Revenues	2,732,834	2,706,442	(26,392)	3,190,489
	-----	-----	-----	-----
EXPENDITURES:				
Capital Improvements	238,499	230,134	8,365	45,969
	-----	-----	-----	-----
Total Expenditures	238,499	230,134	8,365	45,969
	-----	-----	-----	-----
Other Financing Sources (Uses)				
Transfer from Other Funds		551,259	551,259	109,631
Transfer to Debt Service Funds	(3,066,113)	(3,066,113)		(3,068,468)
	-----	-----	-----	-----
Total Transfers	(3,066,113)	(2,514,854)	551,259	(2,958,837)
	-----	-----	-----	-----
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(571,778)	(38,546)	533,232	185,683
Fund Balance, Beginning of Year	2,241,269	2,241,269		2,055,586
	-----	-----	-----	-----
Fund Balance, End of Year	\$1,669,491	\$2,202,723	\$533,232	\$2,241,269
	=====	=====	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

The following funds are included in this section:

STATE OF ALASKA RETIREMENT INCENTIVE PROGRAM - To accumulate funds for the payment of the employer's share for implementing a retirement incentive program in accordance with State statutes. Financing is provided through transfers from the School Operating Fund.

1974 GENERAL OBLIGATION BOND REDEMPTION FUND - To accumulate funds for the payment of principal and interest on the 1974 High School Expansion General Obligation Refunding Bonds due through 1995 at 5% to 8% interest. Financing is provided through transfers from the General Fund which are partially funded through the State in the form of debt reimbursement payments.

1983 GENERAL OBLIGATION BOND REDEMPTION FUND - To accumulate funds for the payment of principal and interest. Financing is provided through transfers from the School Bond Interest Fund.

The following statements are included in this section:

Combining Balance Sheet

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

KETCHIKAN GATEWAY BOROUGH
 DEBT SERVICE FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 1990

	STATE OF ALASKA RETIREMENT INCENTIVE PROGRAM	1974 G.O. REFUNDING BOND REDEMPTION FUND	1983 G.O. BOND REDEMPTION FUND	TOTAL
ASSETS				
Due from Other Funds	\$92,952			\$92,952
	-----	-----	-----	-----
Total Assets	\$92,952			\$92,952
	=====	=====	=====	=====
FUND BALANCE				
Fund Balance	\$92,952			\$92,952
	-----	-----	-----	-----
Total Fund Balance	\$92,952			\$92,952
	=====	=====	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 DEBT SERVICE FUNDS
 FOR YEAR ENDED JUNE 30, 1990

	STATE OF ALASKA RETIREMENT INCENTIVE PROGRAM	1974 G.O. REFUNDING BOND REDEMPTION FUND	1983 G.O. BOND REDEMPTION FUND	TOTAL
EXPENDITURES				
Debt Service				
Principal	\$158,655	\$310,000	\$1,710,000	\$2,178,655
Interest	19,067	123,193	922,920	1,065,180
Total	177,722	433,193	2,632,920	3,243,835
Excess (Deficit) of Revenues over Expenditures	(177,722)	(433,193)	(2,632,920)	(3,243,835)
Other Financing Sources (Uses)				
Operating Transfers In				
School Operating Fund	255,492			255,492
School Bond Interest Fund		433,193	2,632,920	3,066,113
Total	255,492	433,193	2,632,920	3,321,605
Excess (Deficit) of Revenues over Expenditures	77,770			77,770
Fund Balances, July 1, 1989	15,182			15,182
Fund Balances, June 30, 1990	\$92,952			\$92,952

The Accompanying Notes are an Integral Part of the Financial Statements.

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CAPITAL PROJECT FUNDS

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. This does not include capital projects financed by proprietary funds and special assessment funds.

The following funds are included in this section:

- Senate Bill 168 Capital Investments Fund
- School Bond Construction Fund - 1983
- North Point Higgins Access Road
- Airport Cooler Facility Fund
- South Tongass Elementary School Fund
- Ketchikan High School
- School Bond Construction Fund - 1989

The following statements are included in this section:

- Combining Balance Sheet

- Combining Statement of Revenues, Expenditures and Changes in Fund Balances

KETCHIKAN GATEWAY BOROUGH
 CAPITAL PROJECT FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 1990

	Senate Bill 168 Capital Improvements Fund	School Bond Construction Fund - 1983	North Point Higgins Access Road Fund
ASSETS			
Cash & Temporary Investments			\$55,098
Account Receivable			
Due From Other Funds			
	-----	-----	-----
Total Assets	=====	=====	\$55,098 =====
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable			\$1,191
Deferred Revenues			53,907
	-----	-----	-----
Total Liabilities			55,098 -----
Fund Balances			
Unreserved			
	-----	-----	-----
Total Liabilities and Fund Balance	=====	=====	\$55,098 =====

The Accompanying Notes are an Integral Part of the Financial Statements.

Airport Cooler Facility Fund	South Tongass Elementary School Fund	Ketchikan High School	School Bond Construction Fund-1989	Total
\$197,429 24,038		\$32,216	\$11,696,234	\$11,948,761 24,038 32,216
-----	-----	-----	-----	-----
\$221,467		\$32,216	\$11,696,234	\$12,005,015
=====	=====	=====	=====	=====
\$21,344		\$32,216	\$895	\$55,646 53,907
-----	-----	-----	-----	-----
21,344		32,216	895	109,553
-----	-----	-----	-----	-----
200,123			11,695,339	11,895,462
-----	-----	-----	-----	-----
\$221,467		\$32,216	\$11,696,234	\$12,005,015
=====	=====	=====	=====	=====

KETCHIKAN GATEWAY BOROUGH
 CAPITAL PROJECT FUNDS
 COMBINING STATEMENT OF REVENUES ,EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED JUNE 30, 1990

	Senate Bill 168 Capital Improvements Fund	School Bond Construction Fund-1983	North Point Higgins Access Road Fund
REVENUES			
Interest Income			
State Grants			\$79,970
Federal Grants			
Total Revenues	-----	-----	79,970
	-----	-----	-----
EXPENDITURES			
Capital Outlays			
Airport Improvements			
Road Improvements			79,970
Educational Facilities			
Total Expenditures	-----	-----	79,970
	-----	-----	-----
Excess (Deficit) of Revenues over Expenditures	-----	-----	-----
	-----	-----	-----
Other Financing Sources (Uses)			
Bond Proceeds			
Transfers In			
Transfers Out	(\$443,214)	(\$108,045)	
Total Other Financing Sources (Uses)	(443,214)	(108,045)	
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(443,214)	(108,045)	
Fund Balances, July 1, 1989	443,214	108,045	
	-----	-----	-----
Fund Balances, June 30, 1990	=====	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 CAPITAL PROJECT FUNDS
 COMBINING STATEMENT OF REVENUES ,EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED JUNE 30, 1990

Airport Cooler Facility Fund	South Tongass Elementary School Fund	Ketchikan High School	School Bond Construction Fund 1989	Total
			\$155,955	\$155,955
\$86,748				79,970
				86,748
<u>86,748</u>	<u>-----</u>	<u>-----</u>	<u>155,955</u>	<u>322,673</u>
65				65
			460,616	79,970
				460,616
<u>65</u>	<u>-----</u>	<u>-----</u>	<u>460,616</u>	<u>540,651</u>
86,683			(304,661)	(217,978)
<u>86,683</u>	<u>-----</u>	<u>-----</u>	<u>(304,661)</u>	<u>(217,978)</u>
113,440			12,000,000	12,000,000
	(\$37,220)			113,440
				(588,479)
<u>113,440</u>	<u>(37,220)</u>	<u>-----</u>	<u>12,000,000</u>	<u>11,524,961</u>
200,123	(37,220)		11,695,339	11,306,983
	37,220			588,479
<u>200,123</u>	<u>37,220</u>	<u>-----</u>	<u>11,695,339</u>	<u>11,895,462</u>

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PROPRIETARY FUNDS

Proprietary Funds are used to account for operations that are financed and operated in a manner similiar to private business enterprises. The intent of the governing body is that the costs of providing these services on a continuing basis be financed or recovered primarily through user charges. Costs include an allocation of depreciation expense.

AIRPORT ENTERPRISE FUND - An enterprise fund to account for the operations of the Ketchikan International Airport. All of the financial transactions relating to the Ketchikan International Airport are accounted for in this fund.

TRANSIT ENTERPRISE FUND - An enterprise fund to account for the operation of the Borough Bus System. All of the financial transactions relating to the Borough Buses are accounted for in this fund.

The following statements are included in this section:

Combining Balance Sheet

Combining Statement of Revenues, Expenses and Changes in Retained Earnings

Combining Statement of Changes in Financial Position

Airport Enterprise Fund:

Balance Sheet

Statement of Revenues, Expenses and Changes in Retained Earnings

Statement of Changes in Financial Position

Transit Enterprise Fund:

Balance Sheet

Statement of Revenues, Expenses and Changes in Retained Earnings

Statement of Changes in Financial Position

KETCHIKAN GATEWAY BOROUGH
ENTERPRISE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 1990

	Airport Enterprise Fund	Transit Enterprise Fund	(Memorandum Only) Total June 30, 1990	Total June 30, 1989
ASSETS				
Equity in Central Treasury	\$225,413	\$14,771	\$240,184	\$163,621
Due From Other Funds				65,489
Accounts Receivable	166,594		166,594	197,954
Total Current Assets	392,007	14,771	406,778	427,064
Restricted Assets				
Bond Redemption Fund Cash & Investments	59,733		59,733	59,733
Property, Plant, and Equipment				
Buildings	6,722,478	104,556	6,827,034	6,940,439
Construction in Progress	236,570		236,570	13,252
Less Accumulated Depreciation	(2,831,329)	(43,057)	(2,874,386)	(2,813,847)
Total Property, Plant and Equipment	4,127,719	61,499	4,189,218	4,139,844
Total Assets	\$4,579,459	\$76,270	\$4,655,729	\$4,626,641
LIABILITIES AND FUND EQUITY				
Current Liabilities				
Accounts Payable	\$115,616	\$44,050	\$159,666	\$107,841
Accrued Interest Payable	19,759		19,759	18,764
Accrued Vacation & Sick Leave	160,573	909	161,482	135,946
Current Portion of Long Term Debt	195,000		195,000	185,000
Total Current Liabilities	490,948	44,959	535,907	447,551
Long-term Debt	1,300,000		1,300,000	1,495,000
Total Liabilities	1,790,948	44,959	1,835,907	1,942,551
Fund Equity:				
Contributed Capital	2,066,853	20,872	2,087,725	2,205,457
Retained Earnings	661,925	10,439	672,364	418,900
Reserved for Debt Retirement	59,733		59,733	59,733
Total Fund Equity	2,788,511	31,311	2,819,822	2,684,090
Total Liabilities and Fund Equity	\$4,579,459	\$76,270	\$4,655,729	\$4,626,641

The Accompanying Notes are an Integral Part of the Financial Statements

KETCHIKAN GATEWAY BOROUGH
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
YEAR ENDED JUNE 30, 1990

	Airport Enterprise Fund	Transit Enterprise Fund	(Memorandum Only) Total June 30, 1990	Total June 30, 1989
OPERATING REVENUES				
Charges for Services	\$1,905,946	\$69,146	\$1,975,092	\$1,733,802
Other Revenues	55,637		55,637	173,998
Total Operating Income	1,961,583	69,146	2,030,729	1,907,800
OPERATING EXPENSES				
Field	595,077		595,077	591,986
Terminal	451,531		451,531	338,480
Ferry	767,621		767,621	674,020
Bus Operations		74,264	74,264	61,291
Depreciation	233,317	7,116	240,433	253,005
Total Operating Expenses	2,047,546	81,380	2,128,926	1,918,782
Net Operating Revenues(Loss)	(85,963)	(12,234)	(98,197)	(10,982)
NON OPERATING REVENUES (EXPENSES)				
Intergovernmental - State	37,688		37,688	35,209
State Revenue Sharing	114,217	2,726	116,943	80,081
Interest Earnings	42,200	1,462	43,662	14,899
Interest Expense	(106,375)		(106,375)	(114,579)
Misc-Nonoperating	18,384		18,384	
Gain on Asset Disposal	67,382		67,382	
Total Nonoperating Revenues (Expenses)	173,496	4,188	177,684	15,610
Income (Loss) Before Operating Transfers	87,533	(8,046)	79,487	4,628
Operating Transfers In	61,445		61,445	138,174
Operating Transfers Out		(5,200)	(5,200)	
Net Income (Loss)	148,978	(13,246)	135,732	142,802
Depreciation of Fixed Assets Acquired by Grants	110,604	7,128	117,732	119,448
Increase (Decrease) in Retained Earnings	259,582	(6,118)	253,464	262,250
Retained Earnings at Beginning of Year	462,076	16,557	478,633	216,383
Retained Earnings at End of Year	\$721,658	\$10,439	\$732,097	\$478,633

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
ENTERPRISE FUNDS
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
YEAR ENDED JUNE 30, 1990

	Airport Enterprise Fund	Transit Enterprise Fund	Total
SOURCES OF WORKING CAPITAL			
Operations			
Net Income (Loss)	\$148,978	(\$13,246)	\$135,732
Items Not Requiring (Providing) Working Capital			
Depreciation	233,317	7,116	240,433
Gain on Asset Disposal	(67,382)		(67,382)
Other Sources			
Proceeds from Asset Disposal	90,000		90,000
	-----	-----	-----
Total Sources of Working Capital	404,913	(6,130)	398,783
	-----	-----	-----
USES OF WORKING CAPITAL			
Acquisition of Property, Plant & Equipment	48,492	40,615	89,107
Retirement of General Obligation Bonds	185,000		185,000
Construction in Progress	223,318		223,318
	-----	-----	-----
Total Uses of Working Capital	456,810	40,615	497,425
	-----	-----	-----
Net Increase (Decrease) in Working Capital	(\$51,897)	(\$46,745)	(\$98,642)
	=====	=====	=====
 Elements of Net Increase (Decrease) in Working Capital			
Cash & Temporary Investments	\$79,726	(\$3,163)	76,563
Due to/from Other Funds	(65,489)		(65,489)
Accounts Receivable	(31,360)		(31,360)
Accounts Payable & Accrued Liabilities	(34,774)	(43,582)	(78,356)
	-----	-----	-----
Net Increase (Decrease) in Working Capital	(\$51,897)	(\$46,745)	(\$98,642)
	=====	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 AIRPORT ENTERPRISE FUND
 BALANCE SHEETS
 JUNE 30, 1990 AND 1989

	June 30, 1990	June 30, 1989
ASSETS		
Cash & Investments	\$225,413	\$145,687
Due from Other Funds		65,489
Accounts Receivable	166,594	197,954
	-----	-----
Total Current Assets	392,007	409,130
	-----	-----
Restricted Assets		
Bond Redemption Fund Cash & Investments	59,733	59,733
Plant in Service		
Field	\$2,782,993	\$2,759,203
Terminal	2,586,014	2,598,177
Ferry	1,353,471	1,519,118
Construction in Progress	236,570	13,252
	-----	-----
	7,018,781	6,889,750
Less Allowance for Depreciation	2,831,329	2,777,906
	-----	-----
Net Plant in Service	4,187,452	4,111,844
	-----	-----
Total Assets	<u>\$4,579,459</u>	<u>\$4,520,974</u>
	=====	=====
LIABILITIES AND FUND EQUITY		
Current Liabilities		
Accounts Payable	\$115,616	\$107,255
Accrued Interest Payable	19,759	18,764
Accrued Vacation & Sick Leave	160,573	135,155
Current Portion Long Term Debt	195,000	180,000
	-----	-----
Total Current Liabilities	490,948	441,174
	-----	-----
General Obligation Bonds Payable	1,000,000	1,180,000
Revenue Bonds Payable	300,000	320,000
	-----	-----
Total Long Term-Debt	1,300,000	1,500,000
	-----	-----
Total Liabilities	1,790,948	1,941,174
	-----	-----
Fund Equity		
Contributed Capital	2,066,853	2,177,457
Retained Earnings	661,925	402,343
Reserved for Debt Retirement	59,733	59,733
	-----	-----
Total Fund Equity	2,728,778	2,579,800
	-----	-----
Total Liabilities and Fund Equity	<u>\$4,519,726</u>	<u>\$4,520,974</u>
	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
AIRPORT ENTERPRISE FUND
FOR YEARS ENDED JUNE 30, 1990 AND 1989

	<-----1990----->	<-----1989----->
OPERATING REVENUES		
Charges for Services		
Ferry Fares	\$794,890 ✓	\$658,398
Landing Fees	662,341 ✓	721,464
Rentals	299,869 ✓	286,691
Enplanement Fees	38,469 ✓	42,583
Fuel Revenue	42,346 ✓	35,742
Security Services	24,755 ✓	31,507
Seaplane Dock Fees	16,134	18,179
Vehicle Parking	21,039 ✓	16,629
Murphy's Pullout	6,103 ✓	5,420
Other Revenues	(55,637)	21,259
	-----	-----
Total Operating Revenues	1,961,583	1,837,872
	-----	-----
OPERATING EXPENSES		
Field		
Current Operations	\$595,077	\$591,986
Depreciation	91,252	101,989
Terminal		
Current Operations	451,531	338,480
Depreciation	74,512	73,959
Ferry		
Current Operations	767,621	674,020
Depreciation	67,553	68,213
	-----	-----
Total Operating Expenses	2,047,546	1,848,647
	-----	-----
Net Operating (Loss)	(85,963)	(10,775)
	-----	-----
NON OPERATING REVENUES (EXPENSES)		
UTMA Grant - Ferry	37,688 ✓	35,209
State Revenue Sharing	114,217 ✓	80,081
Misc Non-Operating Revenue	18,384 ✓	
Transfers from General Fund	61,445 ✓	143,374
Gain on Disposal of Asset	67,382 ✓	
Interest Earnings	42,200 ⁴¹⁷⁰¹	13,553
Interest Expense	(106,375)	(114,579)
	-----	-----
Net Income	148,978	146,863 ✓
	-----	-----
Depreciation of Fixed Assets		
Acquired by Grants	110,604 ✓	110,604
	-----	-----
Increase in Retained Earnings	259,582	257,467
Retained Earnings at Beginning of Year	462,076	204,609
	-----	-----
Retained Earnings at End of Year	\$721,658	\$462,076
	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 AIRPORT ENTERPRISE FUND
 STATEMENT OF CHANGES IN FINANCIAL POSITION
 YEARS ENDED JUNE 30, 1990 AND 1989

	1990	1989
SOURCES OF WORKING CAPITAL		
Operations		
Net Income	\$148,978	\$146,863
Items Not Requiring (Providing) Working Capital		
Depreciation	233,317	244,161
Gain on Asset Disposal	(67,382)	
Other Sources		
Proceeds from Asset Disposal	90,000	13,253
	-----	-----
Total Sources of Working Capital	404,913	404,277
	-----	-----
USES OF WORKING CAPITAL		
Acquisition of Property, Plant & Equipmen	48,492	83,618
Retirement of General Obligation Bonds	185,000	180,000
Construction in Progress	223,318	13,253
	-----	-----
Total Uses of Working Capital	456,810	276,871
	-----	-----
Net Increase (Decrease) in Working Capital	(\$51,897)	\$127,406
	=====	=====
 Elements of Net Increase (Decrease) in Working Capital		
Cash & Temporary Investments	\$79,726	\$185,861
Due from Other Funds	(65,489)	78,741
Accounts Receivable	(31,360)	(54,811)
Bond Redemption Fund Cash & Investments		1,600
Accounts Payable & Accrued Liabilities	(34,774)	(83,985)
	-----	-----
Net Increase (Decrease) in Working Capital	(\$51,897)	\$127,406
	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
BALANCE SHEET
TRANSIT ENTERPRISE FUND
JUNE 30, 1990 AND 1989

	June 30, 1990	June 30, 1989
ASSETS		
Cash & Investments	\$14,771	\$17,934
Plant in Service-Buses	104,556	63,941
Less: Accumulated Depreciation	(43,057)	(35,941)
	-----	-----
Total Assets	\$76,270	\$45,934
	=====	=====
LIABILITIES, AND FUND EQUITY		
Current Liabilities		
Accounts Payable	\$44,050	\$586
Accrued Vacation & Sick Leave	909	791
	-----	-----
Total Liabilities	44,959	1,377
	-----	-----
Fund Equity		
Contributed Capital	20,872	28,000
Retained Earnings	10,439	16,557
	-----	-----
Total Fund Equity	31,311	44,557
	-----	-----
Total Liabilities and Fund Equity	\$76,270	\$45,934
	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 TRANSIT ENTERPRISE FUND
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
 YEARS ENDED JUNE 30, 1990 AND 1989

	1990	1989
OPERATING REVENUES		
Charges for Services	\$69,146	\$69,928
	-----	-----
OPERATING EXPENSES		
Salaries & Wages	53,259	42,804
Supplies & Publishing	781	761
Fuel & Oil	4,217	4,249
Equipment Maintenance	11,110	7,537
Insurance	4,897	5,941
Depreciation	7,116	8,844
	-----	-----
Total Operating Expenses	81,380	70,135
	-----	-----
Net Operating Loss	(12,234)	(207)
	-----	-----
NON OPERATING REVENUES (EXPENSES)		
Interest Earnings	1,462	1,346
Revenue Sharing	2,726	
Administration Fee-General Fund	(5,200)	(5,200)
	-----	-----
Net Loss	(13,246)	(4,061)
	-----	-----
Depreciation of Fixed Assets Acquired by Grants	7,128	8,844
	-----	-----
Increase (Decrease) in Retained Earnings	(6,118)	4,783
Retained Earnings, Beginning of Year	16,557	11,774
	-----	-----
Retained Earnings, End of Year	\$10,439	\$16,557
	-----	-----

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
TRANSIT ENTERPRISE FUND
STATEMENTS OF CHANGES IN FINANCIAL POSITION
YEARS ENDED JUNE 30, 1990 AND 1989

	1990	1989
	-----	-----
SOURCES OF WORKING CAPITAL		
Operations		
Net Income (Loss)	(\$13,246)	(\$4,061)
Items Not Requiring (Providing) Working Capital		
Contributions of Fixed Assets		36,844
Depreciation	7,116	8,844
	-----	-----
Total Sources of Working Capital	(6,130)	41,627
	-----	-----
USES OF WORKING CAPITAL		
Acquisition of Property, Plant & Equipment	40,615	36,844
	-----	-----
Total Uses of Working Capital	40,615	36,844
	-----	-----
Net Increase (Decrease) in Working Capital	(\$46,745)	\$4,783
	=====	=====
Elements of Net Increase (Decrease) in Working Capital;		
Cash & Temporary Investments	(\$3,163)	\$6,159
Accounts Payable	(43,464)	(586)
Accrued Vacation & Sick Leave	(118)	(790)
	-----	-----
Net Increase (Decrease) in Working Capital	(\$46,745)	\$4,783
	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

TRUST AND AGENCY FUNDS

Trust and Agency Funds are used to account for assets held by a governmental unit in a trustee or agency capacity for individuals, private organizations, other governmental units and/or other funds.

The following funds are included in this section:

Trust Funds

Expendable Scholarship Trust Fund - Statement of Revenues,
Expenditures and Changes in Fund Balance

Nonexpendable Trust Fund - Statement of Revenues, Expenditures and
Changes in Fund Balance

Nonexpendable Trust Fund - Statement of Changes in Assets and
Liabilities

Agency Funds

Agency Funds - Statement of Changes in Assets and Liabilities

KETCHIKAN GATEWAY BOROUGH
 TRUST AND AGENCY FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 1990

	<-----Trust Funds----->		<-----Agency Funds----->		Total
	Expendable Scholarship Fund	Nonexpendable Trust Funds	School Revolving Fund	Deferred Compensation Fund	
ASSETS					
Cash and Investments	\$7,542	\$10,000	\$175,806		\$193,348
Funds with Fiscal Agents				\$1,098,033	1,098,033
Due From Other Funds		1,434	2,210		3,644
	-----	-----	-----	-----	-----
Total Assets	\$7,542	\$11,434	\$178,016	\$1,098,033	\$1,295,025
	=====	=====	=====	=====	=====
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable			\$173,682		\$173,682
Due to Other Funds	\$3,644		4,334		7,978
Deferred Compensation				\$1,098,033	1,098,033
	-----	-----	-----	-----	-----
Total Liabilities	3,644		178,016	1,098,033	1,279,693
	-----	-----	-----	-----	-----
Fund Balances					
Reserved for Endowments		\$10,000			10,000
Unreserved	3,898	1,434			5,332
	-----	-----	-----	-----	-----
Total Fund Balances	3,898	11,434			15,332
	-----	-----	-----	-----	-----
Total Liabilities and Fund Balances	\$7,542	\$11,434	\$178,016	\$1,098,033	\$1,295,025
	=====	=====	=====	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 EXPENDABLE SCHOLARSHIP TRUST FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED JUNE 30, 1990

	Clarke Cochrane Memorial Scholarship Fund
REVENUES	
Other Revenues	
Interest Income	\$404

Total Revenues	404

EXPENDITURES	
Education	1,500

Excess (Deficit) of Revenues over Expenditures	(1,096)
Fund Balance, July 1, 1989	4,994

Fund Balance, June 30, 1990	\$3,898
	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 NONEXPENDABLE TRUST FUNDS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 YEAR ENDED JUNE 30, 1990

	John Koel Trust Fund
REVENUES	
Other Revenues	
Interest Income	\$480
EXPENDITURES	
Education	500

Net Income	(20)
Fund Balance, July 1, 1989	11,454

Fund Balance, June 30, 1990	\$11,434
	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 NONEXPENDABLE TRUST FUNDS
 STATEMENT OF CHANGES IN FINANCIAL POSITION
 YEAR ENDED JUNE 30, 1990

	John Koel Trust
Sources of Working Capital	
Net Income (Loss)	(\$20)
Items not requiring (providing) Working Capital	
Depreciation	0

Total Sources of Working Capital	(20)

Uses of Working Capital	
Capital Projects	0

Total Uses of Working Capital	0

Net Increase (Decrease) in Working Capital	(\$20)
	=====
Elements of Net Increase (Decrease) in Working Capital	
Cash & Temporary Investments	
Funds With Fiscal Agents	
Interfund Receivable	(\$20)

Net Increase (Decrease) in Working Capital	(\$20)
	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 AGENCY FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 YEAR ENDED JUNE 30, 1990

	Balance 6-30-89	Additions	Deductions	Balance 6-30-90
SCHOOL REVOLVING FUND				
Assets				
Cash & Temporary Investments	\$162,915	\$545,041	\$532,150	\$175,806
Due from Other Funds	2,144	66		2,210
Total Assets	=====	=====	=====	=====
	\$165,059	\$545,107	\$532,150	\$178,016
Liabilities				
Accounts Payable	\$142,741	\$545,107	\$514,166	\$173,682
Due to Other Funds	22,318		17,984	4,334
	=====	=====	=====	=====
	\$165,059	\$545,107	\$532,150	\$178,016
DEFERRED COMPENSATION FUND				
Assets				
Funds with Fiscal Agents	\$958,305	\$197,543	\$57,815	\$1,098,033
	=====	=====	=====	=====
Liabilities				
Deferred Compensation	\$958,305	\$197,543	\$57,815	\$1,098,033
	=====	=====	=====	=====
TOTAL - ALL AGENCY FUNDS				
Assets				
Cash & Temporary Investments	\$162,915	\$545,041	\$532,150	\$175,806
Funds with Fiscal Agents	958,305	197,543	57,815	1,098,033
Due from Other Funds	2,144	66		2,210
Total Assets	=====	=====	=====	=====
	\$1,123,364	\$742,650	\$589,965	\$1,276,049
Liabilities				
Accounts Payable	\$142,741	\$545,107	\$514,166	\$173,682
Due to Other Funds	22,318		17,984	4,334
Deferred Compensation	958,305	197,543	57,815	1,098,033
Total Liabilities	=====	=====	=====	=====
	\$1,123,364	\$742,650	\$589,965	\$1,276,049

The Accompanying Notes are an Integral Part of the Financial Statements.

GENERAL FIXED ASSETS ACCOUNT GROUP

This account group accounts for all fixed assets of the Borough that are not used in the proprietary fund operations. They do not represent financial resources available for expenditures. They are items for which financial resources have been used and for which accountability should be maintained.

The schedule of Statement of Changes in General Fixed Assets by Function is included in this section.

KETCHIKAN GATEWAY BOROUGH
 GENERAL FIXED ASSET ACCOUNT GROUP
 STATEMENT OF GENERAL FIXED ASSETS
 JUNE 30, 1990

	1990	1989
GENERAL FIXED ASSETS		
Land	\$148,081	\$148,081
Buildings	28,894,027	28,894,027
Equipment	4,675,141	4,209,743
Leasehold Improvements	17,867	
	-----	-----
Total	\$33,735,116	\$33,251,851
	=====	=====
INVESTMENT IN GENERAL FIXED ASSETS FROM:		
Federal and State Grants	\$594,923	\$594,923
General Revenues	1,301,535	1,042,928
School District Sources	31,838,658	31,614,000
	-----	-----
Total	\$33,735,116	\$33,251,851
	=====	=====

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 STATEMENT OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION
 GENERAL FIXED ASSET ACCOUNT GROUP
 FOR THE YEAR ENDED JUNE 30, 1990

	Balance 6-30-89	Additions	Transfers and Deductions	Balance 6-30-90
Administration	\$524,071	\$35,634	\$36,844	\$522,861
Fire Districts	480,060			480,060
Animal Control	553,183			553,183
Planning	81,747			81,747
Education	31,735,429	159,273	280,702	31,614,000
	<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>
Total	<u>\$33,374,490</u>	<u>\$194,907</u>	<u>\$317,546</u>	<u>\$33,251,851</u>

The Accompanying Notes are an Integral Part of the Financial Statements.

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GENERAL LONG TERM DEBT ACCOUNT GROUP

This account group accounts for all the unmatured general long-term liabilities of the Borough that are payable from revenue sources other than from proprietary and trust funds and for which the Borough is obligated in some manner. The liabilities are secured by the general credit and revenue raising power of the Borough rather than specific assets acquired or specific fund resources.

The following schedules are included in this section:

Combined Schedule of Bonds Payable

Debt Services Requirements to Maturity

KETCHIKAN GATEWAY BOROUGH
 COMPARATIVE STATEMENT OF GENERAL LONG-TERM DEBT
 JUNE 30, 1990 AND 1989

GENERAL LONG-TERM DEBT PAYABLE

	June 30, 1990	June 30, 1989
Amounts to be provided for payment of Long Term Debt	<u>\$23,375,601</u>	<u>\$13,543,189</u>
General Long Term Debt Payable		
General Obligation Bonds		
1958 G.O. Bonds	\$529,000	\$529,000
1974 G.O. Bonds	2,035,000	2,345,000
1983 G.O. Bonds	8,625,000	10,335,000
1989 G.O. Bonds	<u>12,000,000</u>	<u> </u>
Total G. O. Bonds	23,189,000	13,209,000
Retirement Incentive Program		177,000
Equipment Lease Purchase	<u>186,601</u>	<u>157,189</u>
Total	<u>\$23,375,601</u>	<u>\$13,543,189</u>

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 COMBINED SCHEDULE OF BONDS PAYABLE
 JUNE 30, 1990

	Interest Rates(%)	Payment Dates	Issue Date	Final Maturity Date
GENERAL OBLIGATION BONDS				
1958 APW Bonds	2.00			
1972 Airport Bonds	5.50- 6.50	5/1 & 11/1	5/1/72	5/1/97
1973 Airport Bonds	5.50- 6.50	4/1 & 10/1	4/1/73	4/1/93
1974 School Refunding	5.00- 8.00	3/1 & 9/1	3/1/74	9/1/95
1983 School Construction	9.15-20.00	6/1 & 12/1	6/1/83	6/1/93
1989 Series "A" School Bonds	6.20- 6.7	4/1 & 10/1	11/15/89	10/01/2000
1989 Series "B" School Bonds	6.20- 6.70	4/1 & 10/1	11/15/89	10/01/92
REVENUE BONDS				
1980 Airport Improvement Bonds	8.00	5/1 & 11/1	5/1/80	5/1/00

	Authorized	Issued	Retired	Outstanding
GENERAL OBLIGATION BONDS				
1958 APW Bonds	\$1,336,000	\$1,336,000	\$807,000	\$529,000
1972 Airport Bonds	2,200,000	2,200,000	1,210,000	990,000
1973 Airport Bonds	790,000	790,000	605,000	185,000
1974 School Refunding	4,835,000	4,835,000	2,800,000	2,035,000
1983 School Construction	16,900,000	16,900,000	8,275,000	8,625,000
1989 Series "A" School Bonds	9,600,000	9,600,000		9,600,000
1989 Series "B" School Bonds	2,400,000	2,400,000		2,400,000
	<u>\$38,061,000</u>	<u>\$38,061,000</u>	<u>\$13,697,000</u>	<u>\$24,364,000</u>
=====				
REVENUE BONDS				
1980 Airport Improvement Bonds	\$410,000	\$410,000	\$90,000	\$320,000
	<u>\$410,000</u>	<u>\$410,000</u>	<u>\$90,000</u>	<u>\$320,000</u>
=====				

The Accompanying Notes are an Integral Part of the Financial Statements.

KETCHIKAN GATEWAY BOROUGH
 DEBT SERVICE REQUIREMENTS TO MATURITY
 JUNE 30, 1990

Fiscal Year	G. O. Bonds-Education		
	Principal	Interest	Total
1991	\$3,395,000	\$1,932,892	\$5,327,892
1992	3,600,000	1,388,482	4,988,482
1993	3,810,000	1,112,455	4,922,455
1994	4,045,000	814,534	4,859,534
1995	1,610,000	491,588	2,101,588
1996	1,400,000	399,200	1,799,200
1997	1,200,000	317,400	1,517,400
1998	1,200,000	239,400	1,439,400
1999	1,200,000	160,200	1,360,200
2000	1,200,000	80,400	1,280,400
	<u>\$22,660,000</u>	<u>\$6,936,551</u>	<u>\$29,596,551</u>

Fiscal Year	G. O. Bonds-Airport			Revenue Bonds-Airport		
	Principal	Interest	Total	Principal	Interest	Total
1991	\$175,000	\$68,445	\$243,445	\$20,000	\$25,600	\$45,600
1992	185,000	58,095	243,095	25,000	24,000	49,000
1993	195,000	47,020	242,020	25,000	22,000	47,000
1994	140,000	35,840	175,840	25,000	20,000	45,000
1995	150,000	27,300	177,300	30,000	18,000	48,000
1996	160,000	18,150	178,150	30,000	15,600	45,600
1997	170,000	9,350	179,350	35,000	13,200	48,200
1998	0	0	0	40,000	10,400	50,400
1999	0	0	0	40,000	7,200	47,200
2000	0	0	0	50,000	4,000	54,000
	<u>\$1,175,000</u>	<u>\$264,200</u>	<u>\$1,439,200</u>	<u>\$320,000</u>	<u>\$160,000</u>	<u>\$480,000</u>

The Accompanying Notes are an Integral Part of the Financial Statements.

STATISTICAL SECTION

This section contains various tables showing historical and other financial information considered to be informative in understanding the finances of the Borough.

The following schedules are included in this section:

- General Governmental Expenditures by Function.
- General Government Revenues by Source.
- Tax Revenues by Source.
- Per Capita Cost of General Government Expenditures.
- Property Tax Levies and Collections.
- Assessed and Estimated Actual Value of Taxable Property.
- Assessed Value of Taxable Property and Tax Rates of All Overlapping Governments.
- Ratio of General Bonded Debt to Assessed Value and Bonded Debt Per Capita.
- Computation of Legal Debt Margin.
- Computation of Direct & Overlapping Debt.
- Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures.
- Insurance Coverages.
- Demographic Statistics.
- Principal Taxpayers.
- Miscellaneous Statistics.
- Combined Schedule of Cash and Investment Balances.

UNAUDITED SECTION

KETCHIKAN GATEWAY BOROUGH
 GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
 TEN YEAR PERIOD ENDING JUNE 30, 1990

Fiscal Year	General Government	Public Services	-----Education----- Operating	Capital	Debt Service Education
1981	\$2,100	\$185	\$9,604	\$218	\$521
1982	3,468	244	11,555	628	525
1983	4,349	298	12,761	377	524
1984	3,206	431	13,370	2,532	2,217
1985	2,804	460	14,406	7,413	3,178
1986	2,730	944	14,474	10,884	3,064
1987	3,021	978	14,684	2,029	3,085
1988	2,238	1,438	15,896	32	3,074
1989	2,079	1,819	16,689	10	3,068
1990	2,230	2,046	16,752	779	3,244

All amounts have been rounded to the nearest thousand.

General government expenditures and revenue figures include data for all funds except except proprietary and fiduciary fund types.

U N A U D I T E D .

KETCHIKAN GATEWAY BOROUGH
 GENERAL GOVERNMENTAL REVENUES BY SOURCE
 TEN YEAR PERIOD ENDING JUNE 30, 1990

Fiscal Year	Taxes	Intergovtial Revenues	Charges for Services	Other Revenues	Total
1981	\$2,602	\$11,005	\$240	\$684	\$14,531
1982	2,236	12,641	299	1,058	16,234
1983	2,543	14,251	443	1,270	18,507
1984	2,618	15,476	680	2,821	21,595
1985	4,094	15,883	543	2,935	23,455
1986	3,889	16,878	583	1,872	23,222
1987	4,260	15,436	580	1,051	21,327
1988	6,052	22,729	771	850	30,402
1989	6,843	15,974	776	1,083	24,676
1990	7,312	16,365	954	1,026	25,657

All amounts have been rounded to the nearest thousand.

General government expenditures and revenue figures include data for all funds except proprietary and fiduciary fund types.

U N A U D I T E D .

KETCHIKAN GATEWAY BOROUGH
 TAX REVENUES BY SOURCE
 TEN YEAR PERIOD ENDING JUNE 30, 1990

Fiscal Year	General Property	General Sales	Total
1981	\$1,021	\$1,581	\$2,602
1982	528	1,708	2,236
1983	661	1,882	2,543
1984	695	1,923	2,618
1985	2,186	1,908	4,094
1986	1,923	1,966	3,889
1987	2,305	1,955	4,260
1988	3,979	2,073	6,052
1989	4,520	2,323	6,843
1990	4,369	2,391	6,760

All amounts have been rounded to the nearest thousand.

General government expenditures and revenue figures include data for all funds except proprietary and fiduciary fund types.

U N A U D I T E D.

KETCHIKAN GATEWAY BOROUGH
 PER CAPITA COST OF GENERAL GOVERNMENT EXPENDITURES
 TEN YEAR PERIOD ENDING JUNE 30, 1990

Fiscal Year	Population	←-----TOTAL----->		
		Operations & Capital Outlay	Debt Service	Capital Improvements
1981	14,406	\$12,091,337	\$526,401	\$15,193
1982	12,336	14,815,559	530,409	1,074,053
1983	12,829	14,876,972	528,971	2,902,911
1984	14,314	16,339,926	2,217,244	3,199,272
1985	14,314	17,172,169	3,177,612	7,911,147
1986	14,314	17,504,612	3,064,517	11,526,513
1987	14,314	17,364,199	3,084,952	3,347,973
1988	12,829	19,031,170	3,074,125	1,211,427
1989	12,829	20,094,188	3,068,468	300,920
1990	12,829	21,026,480	3,243,835	779,006

Fiscal Year	Population	←-----PER CAPITA----->		
		Operations & Capital Outlay	Debt Service	Capital Improvements
1981	14,406	\$839.33	\$36.54	\$1.05
1982	12,336	1,201.00	43.00	87.07
1983	12,829	1,159.64	41.23	226.28
1984	14,314	1,141.53	154.90	223.51
1985	14,314	1,199.68	221.99	552.69
1986	14,314	1,222.90	214.09	805.26
1987	14,314	1,213.09	215.52	233.89
1988	12,829	1,483.45	239.62	94.43
1989	12,829	1,566.31	239.18	23.46
1990	12,829	1,638.98	252.85	60.72

General government expenditures and revenue figures include data for all funds except proprietary and fiduciary fund types.

U N A U D I T E D .

KETCHIKAN GATEWAY BOROUGH
PROPERTY TAX LEVIES AND COLLECTIONS
TEN YEAR PERIOD ENDING JUNE 30, 1990

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections
1981	\$806,266	\$793,451	98.4%	\$11,203	\$804,654
1982	460,850	453,759	98.5%	5,202	458,961
1983	568,074	561,283	98.8%	4,870	566,153
1984	594,507	587,386	98.8%	5,620	593,006
1985	1,984,597	1,969,314	99.2%	19,250	1,988,564
1986	1,690,886	1,681,476	99.4%	6,786	1,688,262
1987	1,958,321	1,947,614	99.5%	7,236	1,954,850
1988	3,866,473	3,717,544	96.1%	89,302	3,806,846
1989	4,491,458	4,420,026	98.4%	6,212	4,426,238
1990	4,540,936	4,426,772	97.5%	47,459	4,474,231

Fiscal Year	Total Collections As Percent Of Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes As % Of Levy
1981	99.8%	\$18,918	2.3%
1982	99.6%	20,807	4.5%
1983	99.7%	22,728	4.0%
1984	99.7%	24,553	4.1%
1985	100.2%	15,283	0.8%
1986	99.8%	15,280	0.9%
1987	99.8%	7,236	0.4%
1988	98.5%	195,702	5.1%
1989	98.5%	212,692	4.7%
1990	98.5%	315,991	6.6%

U N A U D I T E D .

KETCHIKAN GATEWAY BOROUGH
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 TEN YEAR PERIOD ENDING JUNE 30, 1990

Fiscal Year	Estimated Actual Value	Assessed Value	Percent of Estimated Value To Assessed Value
1981	\$366,613,765	\$366,613,765	100.0%
1982	445,168,300	445,168,300	100.0%
1983	532,766,200	532,766,200	100.0%
1984	573,656,746	573,656,746	100.0%
1985	638,157,830	638,157,830	100.0%
1986	660,988,333	660,988,333	100.0%
1987	652,773,750	652,773,750	100.0%
1988	644,691,600	644,691,600	100.0%
1989	672,170,100	672,170,100	100.0%
1990	710,801,700	710,801,700	100.0%

U N A U D I T E D .

KETCHIKAN GATEWAY BOROUGH
 ASSESSED VALUE, TAXABLE PROPERTY AND TAX RATES - ALL OVERLAPPING GOVERNMENTS
 TEN YEAR PERIOD ENDING JUNE 30, 1990

Fiscal Year	Assessed Value of Real and Personal Property	<-----Property Tax Millage Rates----->						Tax Levy Municipal Purposes
		City of Ketchikan	Shoreline Svc Area	South End Fire Svc Area	Mud Bight Service Area	Non Areawide	Ketchikan Gateway Borough	
1981	\$366,613,765	\$12.60	\$1.10				\$2.50	\$806,266
1982	445,168,300	4.90	0.80				1.00	460,850
1983	532,766,200	4.80	1.50				1.00	568,074
1984	573,656,746	8.40	0.75	\$1.00			1.00	594,507
1985	638,157,830	8.90	1.00	1.00			3.10	1,984,597
1986	660,988,333	8.90	2.00	1.00	\$10.00		2.55	1,690,886
1987	652,773,750	9.50	0.50	1.00	15.00	\$0.58	3.00	1,958,321
1988	644,691,600	9.10	0.50	1.00	7.50	0.60	5.70	3,866,473
1989	672,170,100	8.20	0.50	1.00	5.00	0.85	6.00	4,491,458
1990	710,801,700	8.80	0.50	1.00	5.00	0.85	6.00	4,540,936

U N A U D I T E D .

KETCHIKAN GATEWAY BOROUGH
 RATIO OF GENERAL BONDED DEBT TO ASSESSED VALUE AND BONDED DEBT PER CAPITA
 TEN YEAR PERIOD ENDING JUNE 30, 1990

Fiscal Year	Population	Assessed Value	General Bonded Debt	Ratio to Assessed Value	General Bonded Debt per Capita
1981	14,406	\$366,613,765	\$7,689,000	2.10%	\$534
1982	12,336	445,168,300	6,914,000	1.55%	560
1983	12,829	532,766,200	23,429,000	4.40%	1,826
1984	14,314	573,656,746	23,019,000	4.01%	1,608
1985	14,314	638,157,830	21,619,000	3.39%	1,510
1986	14,314	660,988,333	20,094,000	3.04%	1,404
1987	14,314	652,773,750	18,404,000	2.82%	1,286
1988	12,829	644,691,600	16,559,000	2.57%	1,291
1989	12,829	672,170,100	14,549,000	2.16%	1,134
1990	12,829	710,801,700	24,364,000	3.43%	1,883

U N A U D I T E D .

KETCHIKAN GATEWAY BOROUGH
 COMPUTATION OF LEGAL DEBT MARGIN
 THE YEAR ENDING JUNE 30, 1990

No debt limit is mandated by law.

COMPUTATION OF DIRECT & OVERLAPPING DEBT
 FOR THE YEAR ENDING JUNE 30, 1990

Outstanding G.O. Bonds - Ketchikan Gateway Borough		\$25,764,000
Less: Self Supporting Debt		
Bonds paid from Airport Revenues		
1972 Airport Improvement Bonds	\$990,000	
1973 Airport Improvement Bonds	185,000	
	-----	1,175,000

Net Direct Debt		<u>\$24,589,000</u>
		=====
Overlapping Debt of the City of Ketchikan (100%)		<u>\$8,189,000</u>
		=====
Total Direct and Overlapping Debt		<u>\$32,778,000</u>
		=====

U N A U D I T E D .

KETCHIKAN GATEWAY BOROUGH
 RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
 GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES
 THE TEN YEAR PERIOD ENDING JUNE 30, 1990

Fiscal Year	Debt Principal	Service Payments Interest	Total	Total General Expenditures	Ratio of Debt Service to General Expenditures
1981	\$244,000	\$282,401	\$526,401	\$12,632,931	4.2%
1982	269,000	265,370	534,370	16,420,021	3.3%
1983	275,000	248,845	523,845	18,308,854	2.9%
1984	299,000	1,918,244	2,217,244	21,756,442	10.2%
1985	1,400,000	2,017,358	3,417,358	28,260,928	12.1%
1986	1,399,000	1,665,517	3,064,517	29,031,125	10.6%
1987	1,555,000	1,529,952	3,084,952	20,712,172	14.9%
1988	1,695,000	1,379,125	3,074,125	20,242,597	15.2%
1989	1,910,471	1,218,468	3,128,939	23,664,786	13.2%
1990	2,020,000	\$1,046,112	3,066,112	24,635,784	12.4%

U N A U D I T E D .

KETCHIKAN GATEWAY BOROUGH
 INSURANCE COVERAGES
 YEAR ENDING JUNE 30, 1990

Condensed Description of Coverages

Fire Insurance

Broad form perils, fire and EC, vandalism and malicious mischief - all property and equipment and certain scheduled property \$54,147,200

Comprehensive General Liability

Bodily injury and property damage 2,000,000

Auto Liability

Bodily injury and property damage 1,000,000

Public Officials Liability

1,000,000

Marine Insurance - Airport Ferries

Hull Insurance 1,000,000
 Liability 5,000,000

Worker's Compensation and Employer's Liability

All Borough employees Legal Limits

Position and Fidelity Bonds

Revenue Collector 75,000

Employee honesty blanket position bond-each employee, except Mayor, Assembly members and Commissioners 75,000

Airport Owners & Operators Liability

Bodily injury and property damage 100,000,000

Boiler and Machinery Policy

Limit per accident 500,000

Notary Errors & Omissions

25,000

U N A U D I T E D .

KETCHIKAN GATEWAY BOROUGH
 DEMOGRAPHIC STATISTICS
 TEN YEAR PERIOD ENDING JUNE 30, 1989

Fiscal Year	Borough Population	Borough School Enrollment(2)	Alaska Unemployment Rate(1)
1981	14,406	2,428	8.9%
1982	12,336	2,354	12.7%
1983	12,829	2,372	11.5%
1984	14,314	2,512	12.6%
1985	14,314	2,492	11.3%
1986	14,314	2,535	10.0%
1987	14,314	2,605	10.9%
1988	12,829	2,594	9.7%
1989	12,829	2,480	10.8%
1990	12,829	2,757	8.0%

Sources:

- (1) Alaska State Department of Labor
- (2) Ketchikan Gateway Borough School District

U N A U D I T E D.

KETCHIKAN GATEWAY BOROUGH
 PRINCIPAL TAXPAYERS
 YEAR ENDING JUNE 30, 1990

TAXPAYER	BUSINESS TYPE	VALUATION	PERCENTAGE OF TOTAL ASSESSED VALUATION
Ketchikan Pulp	Forest Products	79,286,050	10.78%
Ketchikan Shipyard	Shipyard	11,749,800	1.60%
Port West, Inc.	Retail Stores	8,569,700	1.17%
The Hames Group	Retail Stores	8,431,450	1.15%
Seley Incorporated	Commercial Property	7,316,500	0.99%
E. C. Phillips & Son	Fish Processing	7,298,450	0.99%
Wayne Construction	Construction	5,881,700	0.80%
Union Oil Company	Petroleum Products	5,554,900	0.76%
Vanderwheele, James & Ken	Commercial Property	4,544,050	0.62%
Haines Terminal & Hwy Co. (Chevron, U.S.A.)	Petroleum Products	4,191,150	0.57%
		-----	-----
TOTAL PRINCIPAL TAXPAYERS		142,823,750	19.42%
		=====	=====
TOTAL ASSESSED VALUATION		735,506,000	100.00%
		=====	=====

U N A U D I T E D.

KETCHIKAN GATEWAY BOROUGH
 MISCELLANEOUS STATISTICS
 FOR THE YEAR ENDING JUNE 30, 1990

Date of Incorporation	9/13/1963
Form of Government	Borough
Area - Square Miles	1,242
Education (through Grade 12 only)	
Number of Attendance Centers	7
Number of Classrooms	128
Number of Teachers	168 FTE
Number of Students 10/1/89	2,757
Elections	
Number of Registered Voters	7817
Number of Votes in last regular election	3,459
Airport Operations	
Landings & Takeoffs per year - all Aircraft	34,352
Air Carrier Passengers per year	169,198
Ferry Passengers	356,711
Ferry Vehicles	75,973
Planning	
Number of zoning permits issued	217
Permanent Employees as of June 30, 1990	369

U N A U D I T E D .

KETCHIKAN GATEWAY BOROUGH
 COMBINED SCHEDULE OF CASH AND INVESTMENT BALANCES
 ALL FUNDS
 JUNE 30, 1990

CASH & INVESTMENTS CLASSIFIED BY FUND

General Fund		\$2,813,348
Special Revenue Funds:		
School District Operating Fund	\$21,121	
Land Trust Fund	4,625,279	
Non Areawide Fund	67,831	
School Bond/Capital Imp Fund	2,202,798	
Day Care Grant Fund	(45,093)	
South End Fire District Fund	86,763	
Shoreline Service Area Fund	45,243	
Mt. Point Service Area Fund	81,629	
Waterfall Service Area Fund	30,802	
Mud Bight Service Area	52,658	
South Tongass Service Area Fund	6,277	
Forest Park Service Area Fund	305,194	
Gold Nugget Service Area Fund	3,082	
State & Federal Grants Fund	558,077	8,041,662
Capital Projects Fund:		
North Point Higgins Access Road	55,098	
Airport Cooler Facility Fund	197,429	
School Bond Construction Fund	11,696,234	11,948,761
Enterprise Funds:		
Airport Fund - Unrestricted	225,413	
Airport Fund - Restricted	59,733	
Transit Fund	14,771	299,917
Trust and Agency:		
Clarke Cochrane Scholarship Fund	7,542	
John Koel Scholarship Fund	10,000	
School District Revolving Fund	175,806	193,348
		<u>\$23,297,036</u>

CASH CLASSIFIED BY DEPOSITORY

Change Funds & Days Receipts	\$1,650
Coopers & Lybrand Trust Account	525,014
First Bank of Ketchikan	94,149
Cash held by Ketchikan Gateway School District	214,469
Alaska Federal Savings & Loan	19,398
National Bank of Alaska	3,160,085
	<u>4,014,765</u>
Total Cash	<u>4,014,765</u>
Investments	<u>19,282,316</u>
	<u>\$23,297,081</u>
Total Cash and Investments	<u>\$23,297,081</u>

The Accompanying Notes are an Integral Part of the Financial Statements.